

Manitoba Science, Technology, Energy and Mines

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## **Supplementary Information for Legislative Review**

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2007-2008 Departmental Expenditure Estimates

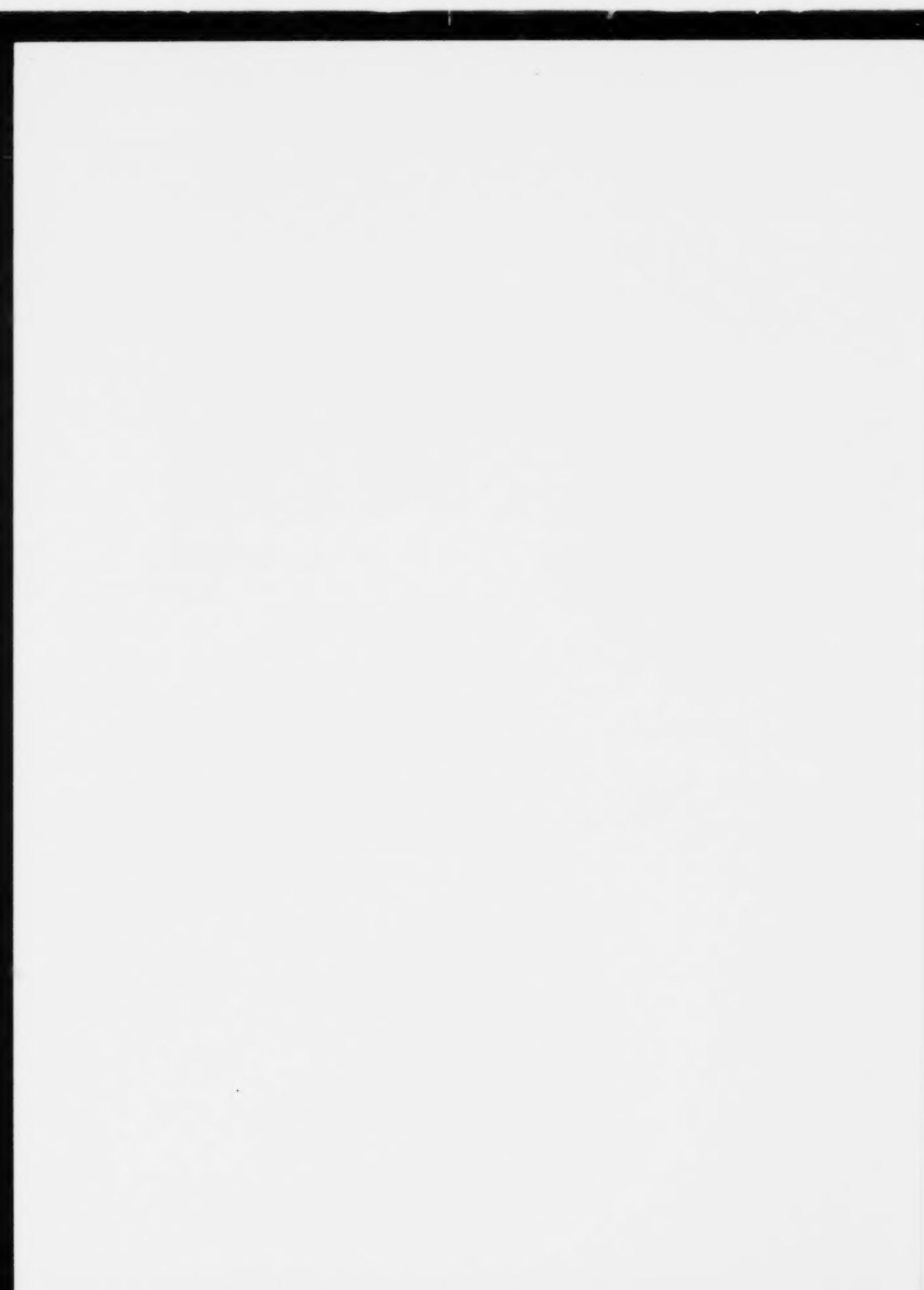




**SCIENCE, TECHNOLOGY, ENERGY AND MINES**

**SUPPLEMENTARY INFORMATION  
FOR LEGISLATIVE REVIEW**

**2007 - 2008  
EXPENDITURE ESTIMATES**



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## PREFACE

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The 2007 Budget is the first Summary Budget produced by the Government of Manitoba that aligns with the accounting standards set by the Public Sector Accounting Board that require provincial governments to report on the broader definition of government, the Government Reporting Entity (GRE).

While the budget is presented on a summary basis, the structure of the Estimates of Expenditure and Revenue remain unchanged from prior years. Please see the schedules in the 2007 Budget document that provide the reconciliation between the estimates and the summary budget as well as a listing of the entities included in the GRE.

This document is intended to provide additional information to the members of the Legislature in their review of information on the department contained in the Estimates of Expenditure for the fiscal year ending March 31, 2008.

The contents of this supplement are organized into six parts:

- ◆ The first part provides an overview of the department's 2007/2008 budget requirements.
- ◆ The second part provides program and financial information including details of staffing requirements and expenditures. Information is organized on the basis of existing main appropriations so that it will provide an easy cross reference to the Printed Main Estimates.
- ◆ The third part provides a five-year historical budget comparison of the Department of Science, Technology, Energy and Mines.
- ◆ The fourth part provides information relating to Capital Investments.
- ◆ The fifth part includes program and financial information relating to special operating agencies.
- ◆ The sixth part provides a standard glossary of terms.

It is hoped that it will provide a meaningful information supplement and that it will meet the needs of the users of the information. I welcome feedback as to the usefulness of this supplementary information.



HONOURABLE JIM RONDEAU  
MINISTER OF SCIENCE, TECHNOLOGY, ENERGY AND MINES



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**PART 1**  
**DEPARTMENTAL OVERVIEW**

# DEPARTMENT OF SCIENCE, TECHNOLOGY, ENERGY AND MINES

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## MINISTER

HONOURABLE JIM RONDEAU

## DEPUTY MINISTER

JOHN CLARKSON

## VISION STATEMENT

*Manitoba is the place where innovation flourishes, ideas grow and people prosper.*

## ROLE AND MISSION

The department will build the capacity for Manitobans to prosper through innovation, by

- creating strategic partnerships;
- encouraging investment;
- enabling the right infrastructure, and access to it;
- promoting awareness and knowledge
- championing critical policy development; and
- facilitating development of the province's energy and mineral resources.

## FOCUS

The Department was established in recognition of the following:

- **Innovation** is key to future economic development and **capacity to deliver** government initiatives;
- **Science, Technology, Energy and Mines** are critical to the further development of the Manitoba economy;
- Government's need to **focus** economic development priorities; and
- **Strengthen** the approach to economic development.

The Department will:

- focus provincial innovation activities;
- assist in the growth and success of our science, research and technology assets;
- coordinate green initiatives as identified in the government's *Green and Growing* strategy;
- strengthen, develop, grow and attract knowledge-based industries;
- focus government information technology requirements;
- build community based partnerships through connectivity;
- focus government climate change implementation plans;
- strategically develop Manitoba's energy resources, in co-operation with public and private sectors;
- support innovation in communities and schools;
- link response to climate change with innovation and economic success
- link government's own IT activities with innovation and economic development; and
- provide for and encourage the environmentally friendly sustainable economic development of the province's mineral and petroleum resources.

The Department will work collaboratively with business, individuals, government departments and communities to:

- strengthen their capacity to succeed;
- enhance the competencies they need to prosper;
- raise their profile locally, nationally and internationally; and
- foster an environment that supports sustainable economic growth.

Some of the immediate and short-term priorities for the Department are:

- lead a coordinated approach to the implementation of the Green and Growing Framework;
- create an environment conducive to the development of renewable energy technologies;
- lead coordinated development and action on the provincial implementation of Canada's Kyoto Protocol plan;
- optimize community participation and benefits from upcoming Manitoba Hydro development projects;
- optimize value for sale of hydro power to other jurisdictions;
- seek federal program cost sharing for Climate Change activities;
- ensure Manitoba's interests (economic and emissions targets) are represented in Federal Kyoto negotiations;
- maximize spin-off opportunities related to new renewable energy;
- facilitate early development of critical infrastructure centres in which the province has invested;
- facilitate development and growth of industry associations, particularly in the ICT and Life Sciences sectors;
- create an environment conducive to investment in Manitoba technology businesses;
- help Manitobans maximize opportunities from connectivity by: expanding the number of communities with access to networks, increasing bandwidth, increasing the number of computers available to communities and enhancing the development of local content;
- seek improved Federal-Provincial research partnering support;
- continue to facilitate increased capacity at Manitoba research institutions;
- leverage and co-ordinate the government's investment in ICT to ensure best value from investment and maximum economic and community development opportunities;
- continue to develop strategies to safeguard information;
- provide ICT planning, development and operational activities that support the major strategic directions of government as identified through departmental plans;
- strive to collaborate and share assets and approaches between departments and jurisdictions, in order to reduce duplication, improve service levels, obtain best value from assets and ultimately reduce expenditures;
- maintain a competitive mineral and petroleum fiscal and regulatory regime;
- provide geoscience information to support and facilitate mineral and petroleum exploration and development;
- promote wise land use and access to mineral and petroleum resources;
- facilitate the rehabilitation of pits, quarries, mines, wells, and oil and gas facilities;
- promote understanding of the mineral and petroleum industry through outreach activities to communities, aboriginal people and the public at large; and
- seek strategies to improve the ease and quality of Manitobans' access to government information, programs and services.

To achieve its mission, the department is organized in five divisions:

**ADMINISTRATION AND FINANCE DIVISION** provides for the executive management, planning and control of departmental policies and programs; administrative support is provided through the Department of Competitiveness, Training and Trade in the areas of human resource services, finance and administration and management information systems.

**ENERGY, CLIMATE CHANGE AND GREEN STRATEGY INITIATIVES** develops and implements energy development initiatives, climate change initiatives and economic development strategies involving hydro-electric resources and alternate energy development opportunities; developing, monitoring and coordinating the implementation of energy and climate change policies and initiatives and related provincial programs. *Green Manitoba Eco Solutions* leads the coordination of activities related to energy and water conservation and waste management based on an environmental protection and sustainable economic development model.

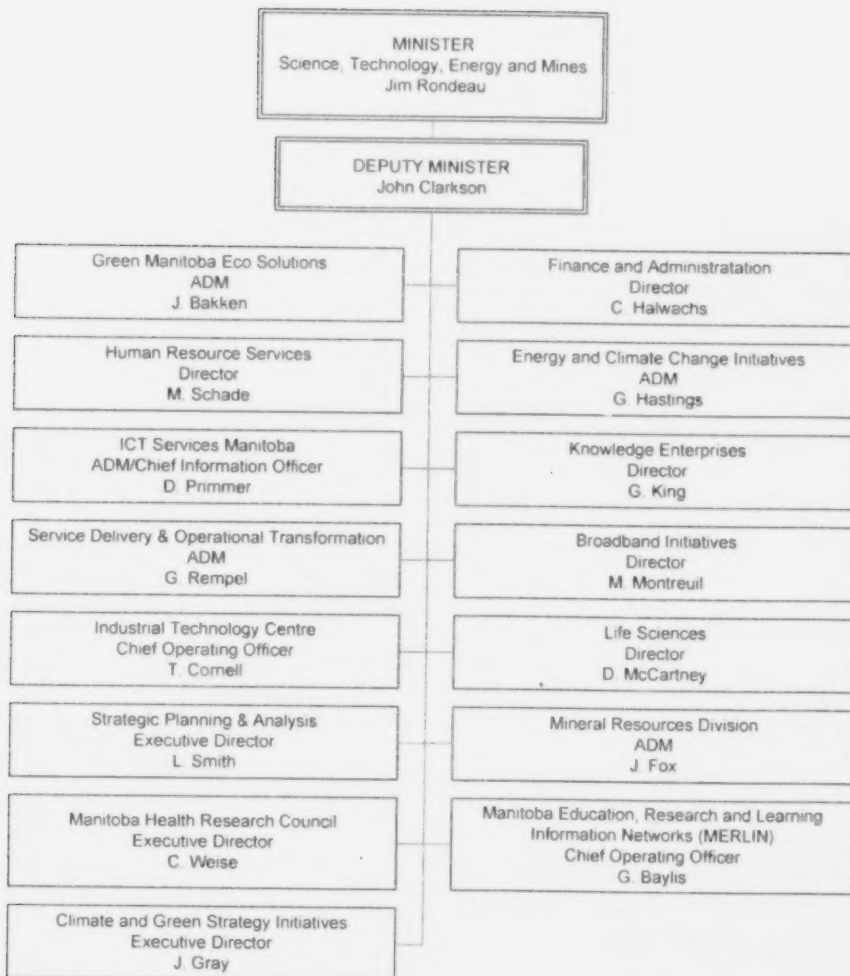
**SCIENCE, INNOVATION AND BUSINESS DEVELOPMENT** functions as the government's primary focus for business development services to industry and communities in the areas of life sciences, knowledge enterprises, technology and infrastructure to support economic growth and stimulate employment; develops strategic plans, business plans and provides research, analysis and evaluation services; develops, analyzes and communicates policies related to innovation, research, and development, technology and telecommunications; oversees the implementation of the Manitoba Centres of Excellence Fund and the Manitoba Research and Innovation Fund; provides a coordinating function for all research, innovation, science and technology initiatives in government; facilitates economic development in Manitoba through the provision of industrial technology services; provides funding for health research initiatives and; provides distance education technology services for the provincial education systems.

**MANITOBA INFORMATION AND COMMUNICATION TECHNOLOGIES** ensures the best possible use of the province's existing information and communications technology (ICT) resources, systems, platforms, applications, and skills, while finding new ways to meet service challenges, plan for future needs, and respond to economic opportunities; develops key ICT strategies, policies, standards and business processes to optimize the delivery of ICT functions in support of service delivery goals; provides an environment within government where appropriate technologies are fully integrated with program delivery requirements and; provides an analytical framework for review and approval of all ICT plans, projects and expenditures.

**THE MINERAL RESOURCES DIVISION** promotes wise land management and environmentally sustainable economic development in the province based on Manitoba's mineral and petroleum resources; provides authoritative documentation of the province's mineral and petroleum endowment and development potential; delivers mineral incentive programs; administration of legislation governing the disposition of mineral and petroleum rights, exploration, development and production of Manitoba's mineral and petroleum resources and, the rehabilitation of mines, quarries and abandoned petroleum sites; provides for the resolution of disputes between surface and/or mineral rights holders with respect to accessing minerals including oil and gas.

## SCHEDULE 1

### SCIENCE, TECHNOLOGY, ENERGY AND MINES ORGANIZATIONAL CHART



## SCHEDULE 2

### STATUTORY RESPONSIBILITIES OF THE MINISTER OF SCIENCE, TECHNOLOGY, ENERGY AND MINES

Continuing  
Consolidation  
Chapter

|                                                                                                                                            |       |
|--------------------------------------------------------------------------------------------------------------------------------------------|-------|
| The Biofuels Act.....                                                                                                                      | B 40  |
| The Economic Innovation and Technology Council Act.....                                                                                    | E 7   |
| The Energy Act .....                                                                                                                       | E 112 |
| The Gas Pipe Line Act.....                                                                                                                 | G 50  |
| The Gas Allocation Act .....                                                                                                               | G 52  |
| The Greater Winnipeg Gas Distribution Act (S.M. 1988-89, c. 40) .....                                                                      | -     |
| The Manitoba Health Research Council Act.....                                                                                              | H 28  |
| The Mines and Minerals Act .....                                                                                                           | M 162 |
| The Mining and Metallurgy Compensation Act.....                                                                                            | M 190 |
| The Oil and Gas Act.....                                                                                                                   | O 34  |
| The Oil and Gas Production Tax Act.....                                                                                                    | O 37  |
| The Property Tax and Insulation Assistance Act [Part V, and section 1 and Part VI<br>as they relate to subjects covered under Part V]..... | P 143 |
| The Surface Rights Act.....                                                                                                                | S 235 |
| The Sustainable Development Act .....                                                                                                      | S 270 |
| (as it relates to the Manitoba Climate Change Action Fund of the Sustainable<br>Development Innovations Fund)                              |       |
| The Winter Heating Cost Control Act.....                                                                                                   | W 165 |

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# SCHEDULE 3

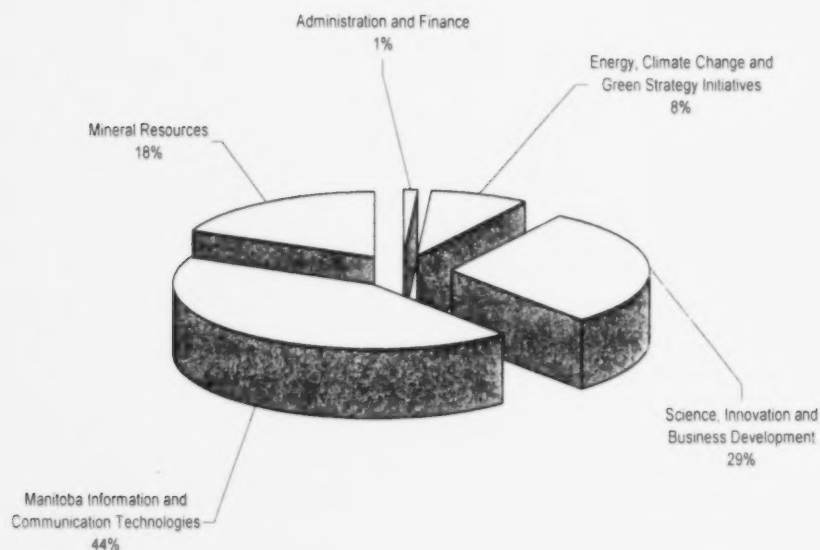
## DEPARTMENT OF SCIENCE, TECHNOLOGY, ENERGY AND MINES EXPENDITURE SUMMARY BY MAIN APPROPRIATION

|                                                              | Estimates<br>of<br>Expenditure<br>2007/2008<br>\$(000's) | Change<br>From<br>2006/2007<br>% | Estimates<br>of<br>Expenditure<br>2006/2007<br>(adjusted)<br>\$(000's) |
|--------------------------------------------------------------|----------------------------------------------------------|----------------------------------|------------------------------------------------------------------------|
| 1. Administration and Finance                                | 704.9                                                    | 3.4                              | 682.0                                                                  |
| 2. Energy, Climate Change and Green Strategy<br>Initiatives  | 5,250.8                                                  | 31.1                             | 4,005.3                                                                |
| 3. Science, Innovation and Business<br>Development           | 19,348.8                                                 | 3.8                              | 18,638.6                                                               |
| 4. Manitoba Information and Communication<br>Technologies    | 28,316.0                                                 | -                                | 28,326.4                                                               |
| 5. Mineral Resources                                         | 12,147.5                                                 | 2.5                              | 11,845.5                                                               |
| 6. Amortization and Other Costs related to<br>Capital Assets | 12,820.3                                                 | 14.5                             | 11,192.7                                                               |
| <b>TOTAL FOR SCIENCE, TECHNOLOGY, ENERGY AND<br/>MINES</b>   | <b>78,588.3</b>                                          | <b>5.2</b>                       | <b>74,690.5</b>                                                        |

### Reconciliation Statement \$ (000's)

|                                                                                                           |          |
|-----------------------------------------------------------------------------------------------------------|----------|
| Printed Estimates of Expenditure 2006/07 .....                                                            | 60,150.8 |
| Transfer functions from:                                                                                  |          |
| - Competitiveness, Training & Trade .....                                                                 | 11,875.6 |
| Allocation of funds from:                                                                                 |          |
| - Enabling Appropriations re: Internal Reform, Workforce Adjustment and<br>General Salary Increases ..... | 2,371.1  |
| - Enabling Appropriations re: 2006/07 General Salary Increase .....                                       | 293.0    |
| Estimates of Expenditure 2006/07 (Adjusted) .....                                                         | 74,690.5 |

## 2007/08 Main Estimates of Expenditures Percentage Distribution by Operating Division

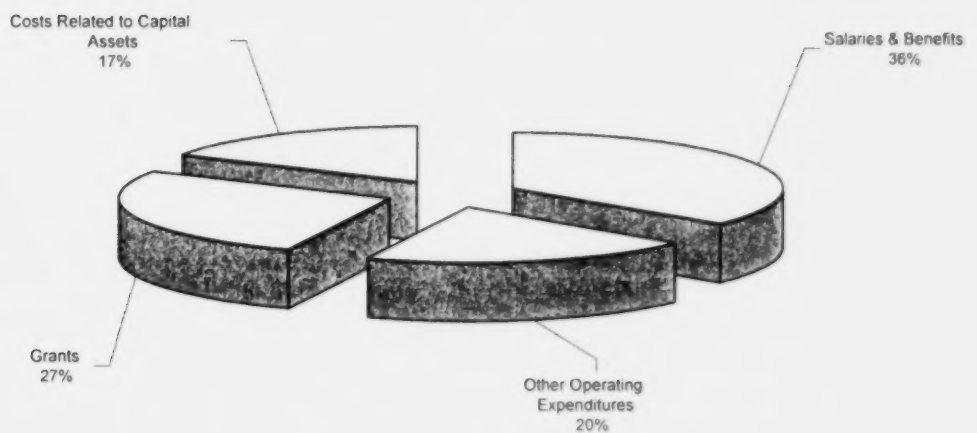


**SCHEDULE 5**

**DEPARTMENT OF SCIENCE, TECHNOLOGY, ENERGY AND MINES  
EXPENDITURE SUMMARY  
BY SALARIES & EMPLOYEE BENEFITS, OTHER EXPENDITURES, CAPITAL GRANTS  
AND COSTS RELATED TO CAPITAL ASSETS**

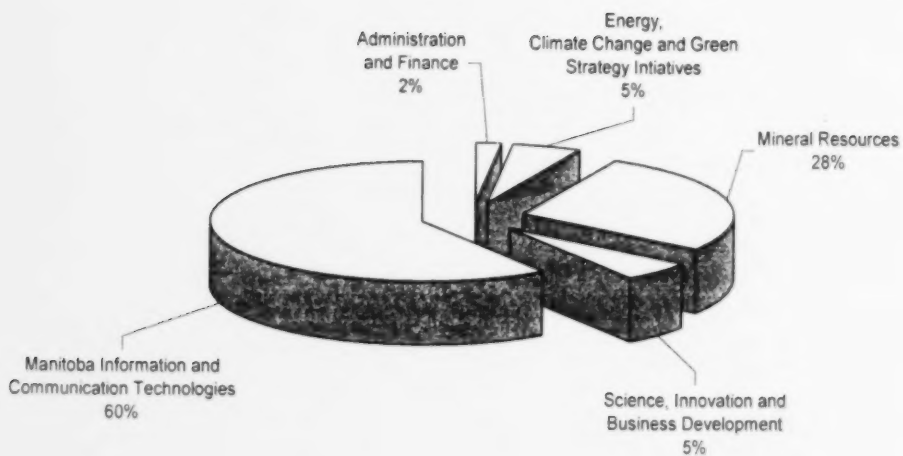
|                                                                   | <b>ESTIMATES OF<br/>EXPENDITURE<br/>2007/2008<br/>\$(000's)</b> | <b>ESTIMATES OF<br/>EXPENDITURE<br/>2006/2007 (adjusted)<br/>\$(000's)</b> |
|-------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------------|
| <b>SALARIES AND EMPLOYEE BENEFITS</b><br>(details on Schedule 8)  | <b>28,644.2</b>                                                 | <b>27,444.9</b>                                                            |
| <b>OTHER EXPENDITURES</b>                                         | <b>27,707.5</b>                                                 | <b>26,393.8</b>                                                            |
| <b>GRANT ASSISTANCE</b>                                           |                                                                 |                                                                            |
| Climate Change and Green Strategy<br>Initiatives Grant Assistance | <b>14.3</b>                                                     | <b>14.3</b>                                                                |
| Green Manitoba Eco Solutions                                      | <b>1,880.7</b>                                                  | <b>1,160.2</b>                                                             |
| Industrial Technology Centre                                      | <b>750.0</b>                                                    | <b>750.0</b>                                                               |
| Manitoba Education, Research and Learning<br>Information Networks | <b>445.8</b>                                                    | <b>445.8</b>                                                               |
| Manitoba Centres of Excellence Fund                               | <b>720.1</b>                                                    | <b>655.8</b>                                                               |
| Manitoba Health Research Council                                  | <b>1,952.6</b>                                                  | <b>1,952.6</b>                                                             |
| Manitoba Research and Innovation Fund                             | <b>13,850.0</b>                                                 | <b>13,250.0</b>                                                            |
| Mineral Exploration Assistance Program                            | <b>2,500.0</b>                                                  | <b>2,500.0</b>                                                             |
| Prospectors Assistance Program                                    | <b>123.1</b>                                                    | <b>123.1</b>                                                               |
| <b>TOTAL</b>                                                      | <b>78,588.3</b>                                                 | <b>74,690.5</b>                                                            |

**2007/08 Percentage Distribution of Expenditures  
By Salaries and Employee Benefits, Other  
Expenditures,  
Capital Grants, and Costs Related to Capital Assets**



SCHEDULE 7

**2007/08 Staff Year Summary**  
**Percentage Distribution of Full Time Equivalents**  
**By Operating Division**



# SCHEDULE 8

## DEPARTMENT OF SCIENCE, TECHNOLOGY, ENERGY AND MINES FULL-TIME EQUIVALENT SUMMARY BY APPROPRIATION

| RES.<br>NO. | APP.<br>NO. | DIVISION/BRANCH                                                   | ESTIMATES OF<br>EXPENDITURE<br>2007/2008<br>\$(000's) |                 | ESTIMATES OF<br>EXPENDITURE<br>2006/2007 (adjusted)<br>\$(000's) |                 |
|-------------|-------------|-------------------------------------------------------------------|-------------------------------------------------------|-----------------|------------------------------------------------------------------|-----------------|
|             |             |                                                                   | FTE                                                   | SALARIES        | FTE                                                              | SALARIES        |
| 18-1        | 18-1        | <b>ADMINISTRATION AND FINANCE</b>                                 |                                                       |                 |                                                                  |                 |
|             | 18-1A       | Minister's Salary                                                 | 1.00                                                  | 31.0            | 1.00                                                             | 30.4            |
|             | 18-1B       | Executive Support                                                 | 6.00                                                  | 442.7           | 6.00                                                             | 420.4           |
|             | 18-1C       | Administration and Finance                                        | -                                                     | -               | -                                                                | -               |
|             |             | <b>TOTAL</b>                                                      | <b>7.00</b>                                           | <b>473.7</b>    | <b>7.00</b>                                                      | <b>450.8</b>    |
| 18-2        | 18-2        | <b>ENERGY, CLIMATE CHANGE AND<br/>GREEN STRATEGY INITIATIVES</b>  |                                                       |                 |                                                                  |                 |
|             | 18-2A       | Energy Development Initiatives                                    | 14.00                                                 | 1,140.4         | 14.00                                                            | 1,097.8         |
|             | 18-2B       | Climate Change and Green Strategy<br>Initiatives                  | 6.00                                                  | 420.3           | 6.00                                                             | 407.9           |
|             | 18-2C       | Green Manitoba Eco Solutions                                      | -                                                     | -               | -                                                                | -               |
|             |             | <b>TOTAL</b>                                                      | <b>20.00</b>                                          | <b>1,560.7</b>  | <b>20.00</b>                                                     | <b>1,505.7</b>  |
| 18-3        | 18-3        | <b>SCIENCE, INNOVATION AND BUSINESS<br/>DEVELOPMENT</b>           |                                                       |                 |                                                                  |                 |
|             | 18-3A       | Science, Innovation and Business<br>Development                   | 20.00                                                 | 1,628.5         | 20.00                                                            | 1,572.6         |
|             | 18-3B       | Manitoba Health Research Council                                  | -                                                     | -               | -                                                                | -               |
|             | 18-3C       | Industrial Technology Centre                                      | -                                                     | -               | -                                                                | -               |
|             | 18-3D       | Manitoba Education, Research and Learning<br>Information Networks | -                                                     | -               | -                                                                | -               |
|             |             | <b>TOTAL</b>                                                      | <b>20.00</b>                                          | <b>1,628.5</b>  | <b>20.00</b>                                                     | <b>1,572.6</b>  |
| 18-4        | 18-4        | <b>MANITOBA INFORMATION AND<br/>COMMUNICATION TECHNOLOGIES</b>    |                                                       |                 |                                                                  |                 |
|             | 18-4A       | ICT Services Manitoba                                             | 193.72                                                | 16,729.9        | 193.72                                                           | 16,006.0        |
|             | 18-4B       | ICT Services Manitoba Recovery                                    | -                                                     | -               | -                                                                | -               |
|             | 18-4C       | Legislative Building Information Systems                          | 13.00                                                 | 1,016.2         | 13.00                                                            | 975.6           |
|             | 18-4D       | Service Delivery and Operational<br>Transformation                | 16.00                                                 | 826.4           | 16.00                                                            | 826.4           |
|             |             | <b>TOTAL</b>                                                      | <b>222.72</b>                                         | <b>18,572.5</b> | <b>222.72</b>                                                    | <b>17,808.0</b> |
| 18-5        | 18-5        | <b>MINERAL RESOURCES</b>                                          |                                                       |                 |                                                                  |                 |
|             | 18-5A       | Manitoba Geological Survey                                        | 55.10                                                 | 3,732.6         | 57.10                                                            | 3,623.1         |
|             | 18-5B       | Mines                                                             | 26.00                                                 | 1,369.4         | 26.00                                                            | 1,321.8         |
|             | 18-5C       | Petroleum                                                         | 21.50                                                 | 1,277.7         | 19.50                                                            | 1,135.2         |
|             | 18-5D       | Boards and Commissions                                            | -                                                     | 29.1            | -                                                                | 27.7            |
|             |             | <b>TOTAL</b>                                                      | <b>102.60</b>                                         | <b>6,408.8</b>  | <b>102.60</b>                                                    | <b>6,107.8</b>  |
| 18          |             | <b>TOTAL FOR SCIENCE TECHNOLOGY ENERGY AND<br/>MINES</b>          | <b>372.32</b>                                         | <b>28,644.2</b> | <b>372.32</b>                                                    | <b>27,444.9</b> |

All salary figures, with the exception of the Minister's, include employee benefits as defined in the glossary.

# SCHEDULE 9

## DEPARTMENT OF SCIENCE, TECHNOLOGY, ENERGY AND MINES FULL-TIME EQUIVALENT SUMMARY 2007-2008 BY STAFF CATEGORY

| DIVISION                                              | STAFF CATEGORIES |         |                            |          |                           |         |        |          |
|-------------------------------------------------------|------------------|---------|----------------------------|----------|---------------------------|---------|--------|----------|
|                                                       | MANAGERIAL       |         | PROFESSIONAL/<br>TECHNICAL |          | ADMINISTRATIVE<br>SUPPORT |         | TOTAL  |          |
|                                                       | FTE              | \$000S  | FTE                        | \$000S   | FTE                       | \$000S  | FTE    | \$000S   |
| Administration and Finance                            | 2.00             | 182.1   | 2.00                       | 114.8    | 3.00                      | 131.7   | 7.00   | 428.5    |
| Energy, Climate Change and Green Strategy Initiatives | 4.00             | 387.3   | 13.00                      | 919.1    | 3.00                      | 127.1   | 20.00  | 1,433.6  |
| Science, Innovation and Business Development          | 4.00             | 359.7   | 14.00                      | 1,056.2  | 2.00                      | 77.1    | 20.00  | 1,493.0  |
| Manitoba Information and Communication Technologies   | 12.00            | 1,031.3 | 188.72                     | 15,099.4 | 22.00                     | 891.5   | 222.72 | 17,022.2 |
| Mineral Resources                                     | 5.00             | 467.1   | 70.10                      | 3,996.4  | 27.50                     | 1,240.5 | 102.60 | 5,704.0  |
| <b>TOTAL<sup>(1)</sup></b>                            | 27.00            | 2,427.5 | 213.72                     | 21,185.9 | 58.50                     | 2,467.9 | 372.32 | 26,081.3 |

### Explanation 1.

### Reconciliation of Salary Amounts

|                                 |                        |
|---------------------------------|------------------------|
| Total Salary Costs per above    | 26,081.3               |
| Employee Benefits               | 2,800.2                |
| Other Costs and Benefits        | 174.1                  |
| Less: Staff Turnover            | <u>(411.4)</u>         |
| Net Salary Costs per Schedule 8 | <b><u>28,644.2</u></b> |



**PART 2**  
**PROGRAM AND FINANCIAL INFORMATION**



| Res.<br>No. | Approp.<br>No. | Science, Technology, Energy and Mines (18)<br>Details of Appropriation | Estimates of<br>Expenditure<br>2007/2008<br>\$(000's) | Estimates of<br>Expenditure<br>2006/2007<br>(adjusted)<br>\$(000's) |
|-------------|----------------|------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|
|-------------|----------------|------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|

|      |    |                                   |              |              |
|------|----|-----------------------------------|--------------|--------------|
| 18.1 | 1. | <b>ADMINISTRATION AND FINANCE</b> | <b>704.9</b> | <b>682.0</b> |
|------|----|-----------------------------------|--------------|--------------|

Provides for the executive management, planning and control of departmental policies and programs. Administrative support is provided through the Department of Competitiveness, Training and Trade in the areas of human resource services, finance and administration and management information systems.

|                               |              |              |
|-------------------------------|--------------|--------------|
| a) Minister's Salary          | 31.0         | 30.4         |
| b) Executive Support          | 523.9        | 501.6        |
| c) Administration and Finance | <u>150.0</u> | <u>150.0</u> |
|                               | <b>704.9</b> | <b>682.0</b> |

## ADMINISTRATION AND FINANCE

### **SUB-APPROPRIATIONS 18 - 1A AND 18 - 1B MINISTER'S SALARY AND EXECUTIVE SUPPORT**

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#### **OBJECTIVES:**

To oversee the development and implementation of departmental policies and programs that are designed to achieve the priorities set out in the department's mission statement.

To carry out the policy decisions of the government and manage the activities of the department.

#### **ACTIVITY IDENTIFICATION:**

Activities are targeted to effectively position the department to aid Manitobans to prosper in the global, information-based economy. These activities include:

- leading and coordinating the decision-making process in the formulation, interpretation, implementation and monitoring of government policies and programs;
- ensuring that government policies are appropriately formulated, interpreted, implemented and monitored;
- providing overall policy direction for departmental programs;
- providing administrative assistance to the Minister's office.

#### **EXPECTED RESULTS:**

Effective operation of the Department of Science, Technology, Energy and Mines as reflected in the results of each branch within the department.

Effective and efficient administrative support to the offices of the Minister and Deputy Minister.

# ADMINISTRATION AND FINANCE

## SUB-APPROPRIATION 18 - 1A MINISTER'S SALARY

|                 | Estimates of Expenditure<br>2007/2008 |                     | Estimates of Expenditure<br>2006/2007 (adjusted) |           |
|-----------------|---------------------------------------|---------------------|--------------------------------------------------|-----------|
|                 | FTE                                   | \$(000's)           | FTE                                              | \$(000's) |
| <b>SALARIES</b> |                                       |                     |                                                  |           |
| Managerial      | 1.00                                  | 31.0                | 1.00                                             | 30.4      |
| Total Salaries  | 1.00                                  | 31.0 <sup>(1)</sup> | 1.00                                             | 30.4      |

1. Net increase.

## SUB-APPROPRIATION 18 - 1B EXECUTIVE SUPPORT

|                                         | Estimates of Expenditure<br>2007/2008 |                      | Estimates of Expenditure<br>2006/2007 (adjusted) |           |
|-----------------------------------------|---------------------------------------|----------------------|--------------------------------------------------|-----------|
|                                         | FTE                                   | \$(000's)            | FTE                                              | \$(000's) |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                      |                                                  |           |
| Managerial                              | 1.00                                  | 151.1                | 1.00                                             | 139.2     |
| Professional/Technical                  | 2.00                                  | 114.8                | 2.00                                             | 111.9     |
| Administrative Support                  | 3.00                                  | 131.7                | 3.00                                             | 128.5     |
| Employee Benefits                       |                                       | 43.4                 |                                                  | 40.8      |
|                                         | 6.00                                  | 441.0                | 6.00                                             | 420.4     |
| Less: Allowance for Staff Turnover      |                                       | -                    |                                                  | -         |
| Salary Accrual                          |                                       | 1.7                  |                                                  | -         |
| Total Salaries and Employee Benefits    | 6.00                                  | 442.7 <sup>(1)</sup> | 6.00                                             | 420.4     |
| <b>OTHER EXPENDITURES</b>               |                                       |                      |                                                  |           |
| Transportation                          |                                       | 20.0                 |                                                  | 20.0      |
| Communications                          |                                       | 8.0                  |                                                  | 8.0       |
| Supplies and Services                   |                                       | 23.0                 |                                                  | 23.0      |
| Other Operating                         |                                       | 30.2                 |                                                  | 30.2      |
| Total Other Expenditures                |                                       | 81.2                 |                                                  | 81.2      |
| <b>TOTAL SUB-APPROPRIATION</b>          | 6.00                                  | 523.9                | 6.00                                             | 501.6     |

1. Net increase is a result of \$18.0 in normal salary adjustments, \$2.6 employee benefits increase, \$1.7 salary accrual.

**SUB-APPROPRIATION 18 - 1C**  
**FINANCIAL AND ADMINISTRATIVE SERVICES**

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**OBJECTIVES:**

The Financial and Administrative Services Branch provides services to the departments of Science, Technology, Energy and Mines (STEM) and Competitiveness, Training and Trade (CTT) and related agencies. The following objectives are in support of both departments:

- to provide high quality, timely and customer responsive administrative, financial management, information systems and human resource services;
- to develop and administer appropriate administrative, financial and human resource standards, policies and procedures;
- to develop and maintain appropriate reporting systems to provide timely and accurate decision-making information to senior management in the Departments and in central agencies;
- to provide leadership, program direction and operational coordination to support department activities.

**ACTIVITY IDENTIFICATION:**

The Branch provides financial management, administrative, information systems and human resource services including:

- processing of revenue and expenditure transactions;
- monitoring and control of expenditures, preparation of cash flow projections and the provision of financial analysis and advice;
- administration of loan programs and other agreements;
- coordination of requests for office accommodation and office equipment and services;
- provide timely and accurate information to senior decision-makers in the department and in central agencies;
- coordinate the department records management activities;
- develop and apply appropriate administrative, financial and human resource standards, policies and procedures including;
  - preparation of the annual estimates package, the estimates supplement and the annual report;
  - the provision of information systems application software solutions to a variety of business problems, evaluation and acquisition of computer equipment;
  - the provision of human resource services, including: recruitment and selection, job evaluation, human resource planning, employee relations, payroll and benefit administration, diversity outreach and strategies, training and development, and occupational health and safety;
  - French Language Services Policy, and the departmental administration of the Freedom of Information Act and Protection of Privacy Act.

**EXPECTED RESULTS:**

- Departmental policies and systems are implemented and programs delivered efficiently and effectively.
- Administrative support services are responsive to departmental and client needs and are within government policy.

## ADMINISTRATION AND FINANCE

- Timely preparation of management reports on matters relating to financial, human resources, information systems and operational support services.
- Timely and efficient representation of the department in responding to central agencies.
- Efficient response, within 30 days, to all applications under the Freedom of Information and Protection of Privacy Act (STEM & CTT).
- Payment/revenue transactions are accurately processed.
- Authority-seeking documents are accurately processed.
- Human Resource activities for approximately 779.62 staff (STEM – 372.32 & CTT – 407.30) are carried out in accordance with The Civil Service Act, Manitoba Government Employees Master Agreement, Manitoba labour laws and Workplace Safety and Health Act.
- Reports are released by legislative deadline date (Departmental Annual Report tabled or released by September 30).

### SUB-APPROPRIATION 18 - 1C FINANCIAL AND ADMINISTRATIVE SERVICES

|                         | Estimates of Expenditure<br>2007/2008 |           | Estimates of Expenditure<br>2006/2007 (adjusted) |           |
|-------------------------|---------------------------------------|-----------|--------------------------------------------------|-----------|
|                         | FTE                                   | \$(000's) | FTE                                              | \$(000's) |
| OTHER EXPENDITURES      |                                       | 150.0     |                                                  | 150.0     |
| TOTAL SUB-APPROPRIATION |                                       | 150.0     |                                                  | 150.0     |

Recoverable to Competitiveness, Training and Trade related to shared Financial and Administrative Services function provided to Science, Technology, Energy and Mines.



| Res.<br>No. | Approp.<br>No. | Science, Technology, Energy and Mines (18)<br>Details of Appropriation                                                                                                                                                                                                                                                                                               | Estimates of<br>Expenditure<br>2007/2008<br>\$(000's) | Estimates of<br>Expenditure<br>2006/2007<br>(adjusted)<br>\$(000's) |
|-------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|
| 18.2        | 2.             | <b>ENERGY, CLIMATE CHANGE AND GREEN<br/>STRATEGY INITIATIVES</b>                                                                                                                                                                                                                                                                                                     | <b>5,250.8</b>                                        | <b>4,005.3</b>                                                      |
|             |                | Develops and implements energy development initiatives, climate change initiatives and economic development strategies involving hydro-electric resources and alternate energy development opportunities. Includes developing, monitoring and coordinating the implementation of energy and climate change policies and initiatives and related provincial programs. |                                                       |                                                                     |
|             |                | <i>Green Manitoba Eco Solutions:</i> Leads the coordination of activities related to energy and water conservation and waste management based on an environmental protection and sustainable economic development model.                                                                                                                                             |                                                       |                                                                     |
|             |                | a) Energy Development Initiatives                                                                                                                                                                                                                                                                                                                                    | <b>2,262.5</b>                                        | 2,234.9                                                             |
|             |                | b) Climate Change and Green Strategy Initiatives                                                                                                                                                                                                                                                                                                                     | <b>1,107.6</b>                                        | 610.2                                                               |
|             |                | c) Green Manitoba Eco Solutions                                                                                                                                                                                                                                                                                                                                      | <b>1,880.7</b>                                        | <b>1,160.2</b>                                                      |
|             |                |                                                                                                                                                                                                                                                                                                                                                                      | <b>5,250.8</b>                                        | <b>4,005.3</b>                                                      |

## ENERGY, CLIMATE CHANGE AND GREEN STRATEGY INITIATIVES

### SUB-APPROPRIATION 18 – 2A ENERGY DEVELOPMENT INITIATIVES

---

#### OBJECTIVES:

- To develop and co-ordinate government-wide renewable energy policies;
- To develop and implement government-wide economic development strategies encompassing Manitoba hydro-electric resources and alternative energy development opportunities;
- To ensure that Manitoba's efforts to reduce greenhouse gas emissions afford opportunities for investment and job creation in Manitoba economic sectors such as clean energy development and energy efficiency; and
- To work with citizens, organizations, communities and businesses to develop programs that help them enhance their quality of life and benefit Manitoba's economy, reduce energy consumption and/or to develop our clean energy projects.

#### ACTIVITY IDENTIFICATION:

- co-ordinating development of broad provincial energy policy and small renewables policy, including ethanol, biodiesel, wind, hydrogen, micro hydro, heat pumps and energy efficiency;
- assessing and implementing energy related provincial Climate Change Initiatives;
- developing and implementing renewable/alternative energy (eg. hydrogen, ethanol, biodiesel, heat pumps, wind, etc.) economic development strategies;
- providing support and facilitation for and between companies, communities and the utility in developing Manitoba's renewable energy resources;
- seeking investment and industrial development related to renewable energy in Manitoba;
- acting as main government liaison with Manitoba Hydro on energy economic development;
- In cooperation with Manitoba Hydro, facilitating hydroelectric power sales; and
- Ensure Manitoba communities and energy related projects that contribute to our national climate change goals are supported by the federal government.

#### EXPECTED RESULTS:

- Ongoing support for Manitoba BioDiesel Program;
- Evaluation of Manitoba's wind resource;
- Continued development and implementation of the province's energy efficiency strategy ;
- Furthering discussion related to selling power into export markets;
- Greater utilization of ground source heat pumps in Manitoba, including in the Waverley West Subdivision.
- Increased investments in renewable energy generation and related equipment manufacturing;
- Continuous implementation of renewable/alternate energy economic development strategies for ethanol, biodiesel, wind and hydrogen;
- Growth and consideration of ground source heat pump industry
- New ethanol production capacity in the province;
- The development of wind farms in Manitoba;
- Continued implementation from the Hydrogen Opportunities Report;
- Implementing ethanol mandate; and
- Advancing low income energy efficiency.

# ENERGY, CLIMATE CHANGE AND GREEN STRATEGY INITIATIVES

## SUB-APPROPRIATION 18 – 2A ENERGY DEVELOPMENT INITIATIVES

|                                         | Estimates of Expenditure<br>2007/2008 |                        | Estimates of Expenditure<br>2006/2007 (adjusted) |                |
|-----------------------------------------|---------------------------------------|------------------------|--------------------------------------------------|----------------|
|                                         | FTE                                   | \$(000's)              | FTE                                              | \$(000's)      |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                        |                                                  |                |
| Managerial                              | 3.00                                  | 293.8                  | 3.00                                             | 285.6          |
| Professional/Technical                  | 9.00                                  | 665.5                  | 9.00                                             | 645.6          |
| Administrative Support                  | 2.00                                  | 81.7                   | 2.00                                             | 74.5           |
| Employee Benefits                       |                                       | 119.0                  |                                                  | 115.3          |
|                                         | 14.00                                 | 1,160.0                | 14.00                                            | 1,121.0        |
| Less: Allowance for Staff Turnover      |                                       | (23.9)                 |                                                  | (23.3)         |
| Salary Accrual                          |                                       | 4.3                    |                                                  |                |
| Total Salaries and Employee Benefits    | 14.00                                 | 1,140.4 <sup>(1)</sup> | 14.00                                            | 1,097.7        |
| <b>OTHER EXPENDITURES</b>               |                                       |                        |                                                  |                |
| Transportation                          |                                       | 33.3                   |                                                  | 33.3           |
| Communications                          |                                       | 103.4                  |                                                  | 103.4          |
| Supplies and Services                   |                                       | 810.9                  |                                                  | 810.9          |
| Other Operating                         |                                       | 174.5                  |                                                  | 189.5          |
| Minor Capital                           |                                       | 20.0                   |                                                  | 20.0           |
| Total Other Expenditures                |                                       | 1,122.1 <sup>(2)</sup> |                                                  | 1,137.1        |
| <b>TOTAL SUB-APPROPRIATION</b>          | <b>14.00</b>                          | <b>2,262.5</b>         | <b>12.00</b>                                     | <b>2,234.9</b> |

1. Net increase a result of general salary increase of \$28.1, normal salary adjustments of \$7.2, employee benefits of \$3.7, salary accrual of 4.3, and staff turnover allowance of (\$0.6).

2. Corporate adjustment.

## ENERGY, CLIMATE CHANGE AND GREEN STRATEGY INITIATIVES

### SUB-APPROPRIATION 18 – 2B

#### CLIMATE CHANGE AND GREEN STRATEGY INITIATIVES

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##### OBJECTIVES:

- To develop and coordinate government wide climate change initiatives. This includes the development of greenhouse gas (GHG) reduction strategies in the transportation, agriculture and municipal sectors that promote both economic development and environmental protection.
- To coordinate priority green initiatives together with lead departments as outlined in the government's *Green and Growing Strategy*.
- To advance climate change impact, mitigation and adaptation research.
- To promote cooperative partnerships with the federal government on climate change programs and green policy initiatives in Manitoba.
- To work together with Green Manitoba, the Energy Development Initiative and other departments and agencies of government to advance the implementation of greenhouse gas reduction and green economic development strategies across government and in the public and private sectors.
- To promote best practices in climate change action and green policy at the sub-national level.
- To continue in the promotion of climate change public awareness, education and action.

##### ACTIVITY IDENTIFICATION:

- Develop and coordinate specific climate change strategies with partner departments in the areas of transportation, agriculture and the public sector that will promote both economic development and environmental protection.
- Update the *Climate Change Action Plan* for Manitoba, including the strategies referenced above.
- Expand GHG impact, mitigation and adaptation research capacity utilizing both in-house and Manitoba-based expertise in climate change research.
- Work with lead departments and branches in the coordination of priority green initiatives across government as outlined in the *Green and Growing Strategy*.
- Advance federal-provincial climate change and green initiatives funding partnerships together with Federal Provincial Relations and partner departments and branches, and represent Manitoba's interests at federal-provincial climate change meetings.
- Collaborate with other provinces and states to promote and deliver best practices through MOUs, projects, as well as national and international networks.
- Increase awareness of climate change and green business opportunities in the private sector.

## ENERGY, CLIMATE CHANGE AND GREEN STRATEGY INITIATIVES

- Continue in the promotion of the climate change public, education and awareness and in supporting strategic action in key priority areas such as transportation, agriculture and Northern Manitoba through the Manitoba Climate Change Action Fund and partnerships with non-government organizations and government departments and Crown corporations.

### EXPECTED RESULTS:

- Produce an updated *Climate Change Action Plan* including climate change strategies and programming for the transportation, agricultural and municipal sectors.
- Coordinate executive level inter-departmental knowledge transfer for action on priority green initiatives that will promote both economic development and environmental protection as the secretariat to executive level committee.
- Coordinate and advance priority green initiatives across government as outlined in the *Green and Growing Strategy*.
- Facilitate action on enhanced research in climate change impacts, mitigation and adaptation for Manitoba.
- Advance federal-provincial climate and green initiatives programming and funding.
- Identify and support best practices in climate change action and green policy at the sub-national level.
- Support and facilitate better awareness of climate change and green initiative opportunities in the public and private sectors.

# ENERGY, CLIMATE CHANGE AND GREEN STRATEGY INITIATIVES

## SUB-APPROPRIATION 18 – 2B CLIMATE CHANGE AND GREEN STRATEGY INITIATIVES

|                                         | Estimates of Expenditure<br>2007/2008 |                      | Estimates of Expenditure<br>2006/2007 (adjusted) |           |
|-----------------------------------------|---------------------------------------|----------------------|--------------------------------------------------|-----------|
|                                         | FTE                                   | \$(000's)            | FTE                                              | \$(000's) |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                      |                                                  |           |
| Managerial                              | 1.00                                  | 93.5                 | 1.00                                             | 91.1      |
| Professional/Technical                  | 4.00                                  | 253.6                | 4.00                                             | 247.1     |
| Administrative Support                  | 1.00                                  | 45.4                 | 1.00                                             | 44.2      |
| Employee Benefits                       |                                       | 41.5                 |                                                  | 40.5      |
|                                         | 6.00                                  | 434.0                | 6.00                                             | 422.9     |
| Less: Allowance for Staff Turnover      |                                       | (15.4)               |                                                  | (15.0)    |
| Salary Accrual                          |                                       | 1.7                  |                                                  |           |
| Total Salaries and Employee Benefits    | 6.00                                  | 420.3 <sup>(1)</sup> | 6.00                                             | 407.9     |
| <b>OTHER EXPENDITURES</b>               |                                       |                      |                                                  |           |
| Transportation                          |                                       | 21.0                 |                                                  | 21.0      |
| Communications                          |                                       | 57.5                 |                                                  | 57.5      |
| Supplies and Services                   |                                       | 85.5                 |                                                  | 85.5      |
| Other Operating                         |                                       | 36.0                 |                                                  | 51.0      |
| Total Other Expenditures                |                                       | 173.0 <sup>(2)</sup> |                                                  | 188.0     |
| Total Grant Assistance                  |                                       | 14.3                 |                                                  | 14.3      |
| <b>TOTAL SUB-APPROPRIATION</b>          | 6.00                                  | 623.8                | 6.00                                             | 548.6     |

1. Net increase a result \$10.1 in general salary increase, \$1.0 in employee benefits, (\$0.4) in staff turnover allowance, and \$1.7 salary accrual.
2. Corporate adjustment.

## ENERGY, CLIMATE CHANGE AND GREEN STRATEGY INITIATIVES

### SUB-APPROPRIATION 18 – 2C GREEN MANITOBA ECO SOLUTIONS

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#### OBJECTIVES:

Green Manitoba Eco Solutions became a special operating agency on April 1, 2006. Refer to Section 5 for detailed information.

### SUB-APPROPRIATION 18 – 2C GREEN MANITOBA ECO SOLUTIONS

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|                                | Estimates of Expenditure<br>2007/2008 |                              | Estimates of Expenditure<br>2006/2007 (adjusted) |                |
|--------------------------------|---------------------------------------|------------------------------|--------------------------------------------------|----------------|
|                                | FTE                                   | \$(000's)                    | FTE                                              | \$(000's)      |
| Grants/Transfer Payments       |                                       | 1,880.7                      |                                                  | 1,160.2        |
| <b>TOTAL SUB-APPROPRIATION</b> |                                       | <b>1,880.7<sup>(1)</sup></b> |                                                  | <b>1,160.2</b> |

1. StartPlus Program increase.



| Res.<br>No. | Approp.<br>No. | Science, Technology, Energy and Mines (18)<br>Details of Appropriation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Estimates of<br>Expenditure<br>2007/2008<br>\$(000's) | Estimates of<br>Expenditure<br>2006/2007<br>(adjusted)<br>\$(000's) |
|-------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|
| 18.3        | 3.             | <b>SCIENCE, INNOVATION AND<br/>BUSINESS DEVELOPMENT</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>19,348.8</b>                                       | <b>18,638.6</b>                                                     |
|             |                | <p>Functions as the government's primary focus for business development services to industry and communities in the areas of life sciences, knowledge enterprises, technology and infrastructure to support economic growth and stimulate employment. Develops strategic plans, business plans and provides research, analysis and evaluation services. Develops, analyzes and communicates policies related to innovation, research, and development, technology and telecommunications. Oversees the implementation of the Manitoba Centres of Excellence Fund and the Manitoba Research and Innovation Fund. Provides a coordinating function for all research, innovation, science and technology initiatives in government.</p> <p><i>Industrial Technology Centre:</i> Facilitates economic development in Manitoba through the provision of industrial technology services.</p> <p><i>Manitoba Health Research Council:</i> Provides funding for health research initiatives.</p> <p><i>Manitoba Education, Research and Learning Information Networks:</i> Provides distance education technology services for the provincial education systems.</p> |                                                       |                                                                     |
|             |                | a) Science, Innovation and<br>Business Development                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 16,200.4                                              | 15,490.2                                                            |
|             |                | b) Manitoba Health Research Council                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 1,952.6                                               | 1,952.6                                                             |
|             |                | c) Industrial Technology Centre                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 750.0                                                 | 750.0                                                               |
|             |                | d) Manitoba Education, Research and<br>Learning Networks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 445.8                                                 | 445.8                                                               |
|             |                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>19,348.8</b>                                       | <b>18,638.6</b>                                                     |

## SCIENCE, INNOVATION AND BUSINESS DEVELOPMENT

### SUB-APPROPRIATION 18 - 3A

### SCIENCE, INNOVATION AND BUSINESS DEVELOPMENT

---

#### OBJECTIVES:

Science, Innovation and Business Development's (SIBD) objectives are to:

- develop a provincial innovation framework;;
- build and strengthen the research and innovation capacity within the province;
- build community capacity for sustained economic development in the new economy;
- build the capacity for new company formation, attraction and growth;
- coordinate the implementation of public policy initiatives in the areas of research, information technologies, and investments.

SIBD consists of four focus areas:

#### **Strategic Planning and Analysis**

Strategic Planning and Analysis provides policy and research support to the Department and is the lead across government on the development and implementation of policy, strategies and initiatives on innovation, science and research issues. Strategic Planning and Analysis also provides a central role for the Department of Science, Technology, Energy and Mines in areas of strategic and operational planning and organizational development. Through program support, the group acts to encourage research capacity in Manitoba and to promote science, innovation and technology careers among youth.

#### **Knowledge Enterprises**

The Knowledge Enterprises Branch works in partnership with key stakeholders to develop an innovation environment in which information communications technology (ICT), digital media and customer contact centre sectors can thrive.

#### **Life Sciences**

Life Sciences works with multiple public and private stakeholders to strengthen Manitoba's globally competitive life sciences cluster in the health, agriculture and environment sectors, leading to positive social and economic outcomes for all Manitobans.

#### **Broadband Initiatives**

The Broadband Initiative works with the private sector and community based organizations in order to facilitate the provision of high-speed connectivity and Broadband capacity to those areas in the province where such services do not currently exist.

## SCIENCE, INNOVATION AND BUSINESS DEVELOPMENT

### ACTIVITY IDENTIFICATION:

#### Strategic Planning and Analysis

- Implement the provincial innovation and research strategies by administering funds that support research, innovation and technology, including:
  - *Manitoba Research and Innovation Fund* - The mandate is to increase the capability of Manitoba's universities, colleges, hospitals, and other not-for-profit institutions to carry out important world-class scientific research and technology development. The fund is also used to support institutional innovation activities and bring technologies to the market place.
  - *The Manitoba Centres of Excellence Fund* - The objectives of the Manitoba Centres of Excellence Fund (MCEF) are to attract and maintain world-class R&D activity in Manitoba and to generate related economic spin-off benefits for local companies and non-profit institutions.
- Administer the Manitoba Network for Science and Technology (MindSet), program which encourages students to understand the importance of science and technology and its potential for rewarding career opportunities.
- Develop the strategic and operational plans of the department.

#### Knowledge Enterprises

- Focus provincial information communication technology (ICT) innovation activities through whole of government leadership and co-ordination;
- Develop ICT research capacity and increase the level of technology commercialization;
- Identify and address critical ICT skills gaps;
- Address critical business development issues in coordination with industry stakeholders; and
- Ensure government's internal ICT strategies and projects capture innovation and drive economic development.
- Develop and support the interactive digital media industry in Manitoba through market development, investment attraction and funding support including:
  - *Manitoba digital media Fund (MIDMF)* - The spirit and intent of the MIDMF is to support the creation by Manitobans of Interactive Digital Media products, support the creation of intellectual property in Manitoba companies, and to encourage the Manitoba digital media industry to become self-sustaining and vibrant.

#### Life Sciences

- Improve the connectivity among stakeholders;
- Establish formalized linkages and research collaborations;
- Promote a "growth from within" culture in the province;
- Increase industry awareness of the Life Sciences sector in Manitoba;
- Establish coordinated human resource initiative;
- Establish coordinated training initiative;
- Catalyze sector convergence; and
- Advance innovation into the health care system.

#### Broadband Initiatives

- Work with the private sector and community based organizations in order to provide High-Speed connectivity and Broadband capacity to those areas in the province where such services do not currently exist.

**SUB-APPROPRIATION 18 - 3A**

**SCIENCE, INNOVATION AND BUSINESS DEVELOPMENT**

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**EXPECTED RESULTS:**

**Strategic Planning and Analysis**

- Research and innovation frameworks and policies are created to:
  - define the key actions and principles that will guide how research, technology and innovation efforts should work;
  - align provincial government decision-making for R&D activities with provincial strategic goals;
  - align business development needs and activities with research capacities; and
  - coordinate innovation activities within and between provincial government departments.
  - partner effectively with federal government.
- The MindSet program continues to experience success through increased participation by educators and students in science and technology awareness activities.
- A strategic planning process for the department has been developed and implemented.

**Knowledge Enterprises**

- Maintain and expand key intra-departmental linkages and teams;
- Connectivity and interaction among provincial and regional stakeholders;
- Increased Knowledge Enterprises research activity and technology commercialization;
- Work with key stakeholders to address skills issues;
- Increased Knowledge Enterprises employment levels; and
- Identify and address barriers to Knowledge Enterprises business development.

**Life Sciences**

- Connectivity and interaction among provincial, regional and international stakeholders;
- Formalized linkages and research collaborations;
- Increased commercialization of Manitoba life science technologies;
- Increased international, national and provincial recognition of Manitoba's life sciences expertise, infrastructure and investment opportunities;
- Training programs in biopharmaceutical manufacturing and clinical trial research are in place;
- Expansion of Manitoba Life Sciences biopharmaceutical manufacturing capacity;
- Increased employment within Manitoba's life sciences sector; and
- Process for measuring the scope and economic outcomes from incorporating Manitoba innovative technologies into the Province's health care systems.

**Broadband Initiatives**

- PDN schools connectivity program; and
- Increased connectivity for Manitoba's communities

# SCIENCE, INNOVATION AND BUSINESS DEVELOPMENT

## SUB-APPROPRIATION 18 - 3A

### SCIENCE, INNOVATION AND BUSINESS DEVELOPMENT

|                                                                            | Estimates of Expenditure<br>2007/2008 |                         | Estimates of Expenditure<br>2006/2007 (adjusted) |                 |
|----------------------------------------------------------------------------|---------------------------------------|-------------------------|--------------------------------------------------|-----------------|
|                                                                            | FTE                                   | \$(000's)               | FTE                                              | \$(000's)       |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b>                                    |                                       |                         |                                                  |                 |
| Managerial                                                                 | 4.00                                  | 359.7                   | 4.00                                             | 349.3           |
| Professional/Technical                                                     | 14.00                                 | 1,056.2                 | 14.00                                            | 1,022.1         |
| Administrative Support                                                     | 2.00                                  | 77.1                    | 2.00                                             | 75.0            |
| Employee Benefits                                                          |                                       | 160.9                   |                                                  | 156.5           |
|                                                                            | 20.00                                 | 1,653.9                 | 20.00                                            | 1,602.9         |
| Less: Allowance for Staff Turnover                                         |                                       | (31.1)                  |                                                  | (30.3)          |
| Salary Accrual                                                             |                                       | 5.7                     |                                                  |                 |
| Total Salaries and Employee Benefits                                       | 20.00                                 | 1,628.5 <sup>(1)</sup>  | 20.00                                            | 1,572.6         |
| <b>OTHER EXPENDITURES</b>                                                  |                                       |                         |                                                  |                 |
| Transportation                                                             |                                       | 123.5                   |                                                  | 123.5           |
| Communications                                                             |                                       | 93.9                    |                                                  | 93.9            |
| Supplies and Services                                                      |                                       | 166.6                   |                                                  | 166.6           |
| Other Operating                                                            |                                       | 367.8                   |                                                  | 377.8           |
| Total Other Expenditures                                                   |                                       | 751.8 <sup>(2)</sup>    |                                                  | 761.8           |
| <b>PROGRAM DELIVERY</b>                                                    |                                       |                         |                                                  |                 |
| Manitoba Research & Innovation Fund                                        |                                       | 13,850.0 <sup>(3)</sup> |                                                  | 13,250.0        |
| Manitoba Centres of Excellence                                             |                                       | 720.1 <sup>(4)</sup>    |                                                  | 655.8           |
| Total Program Delivery                                                     |                                       | 14,570.1                |                                                  | 13,905.8        |
| Total                                                                      |                                       | 16,950.4                |                                                  | 16,240.2        |
| Less: Recoverable from Urban and Rural<br>Economic Development Initiatives |                                       | (750.0)                 |                                                  | (750.0)         |
| <b>TOTAL SUB-APPROPRIATION</b>                                             | <b>20.00</b>                          | <b>16,200.4</b>         | <b>20.00</b>                                     | <b>15,490.2</b> |

1. Net increase a result of \$42.5 in general salary increases, \$4.1 in normal salary adjustments, \$4.4 in employee benefits, \$5.7 in salary accrual and (\$0.8) in staff turnover.

2. Corporate adjustment.

3. Increase funding of \$600.0 (\$200.0 for broadband expansion for Northern & Rural MB Communities; \$200.0 for the Manitoba Interactive Digital Media Fund and \$200.0 for Community Connections).

4. Increased funding for projects.

SCIENCE, INNOVATION & BUSINESS DEVELOPMENT

**SUB-APPROPRIATION 18 - 3B**  
**MANITOBA HEALTH RESEARCH COUNCIL**

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**OBJECTIVES:**

To provide program funding for health research activities.

**ACTIVITY IDENTIFICATION:**

Provide funding to the Manitoba Health Research Council for annual grants and awards competitions.

**EXPECTED RESULTS:**

- Promotion of basic, clinical and applied research in health sciences in Manitoba.
- Analysis and assessment of priority health issues in Manitoba.

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|                                | Estimates of Expenditure<br>2007/2008 |                       | Estimates of Expenditure<br>2006/2007 (adjusted) |                       |
|--------------------------------|---------------------------------------|-----------------------|--------------------------------------------------|-----------------------|
|                                | FTE                                   | \$(000's)             | FTE                                              | \$(000's)             |
| <b>OTHER EXPENDITURES</b>      |                                       |                       |                                                  |                       |
| Grant/Transfer Payments        |                                       | <u>1,952.6</u>        |                                                  | <u>1,952.6</u>        |
| <b>TOTAL SUB-APPROPRIATION</b> |                                       | <u><u>1,952.6</u></u> |                                                  | <u><u>1,952.6</u></u> |

SCIENCE, INNOVATION & BUSINESS DEVELOPMENT

SUB-APPROPRIATION 18 – 3C

GRANT ASSISTANCE - INDUSTRIAL TECHNOLOGY CENTRE

The Industrial Technology Centre became a special operating agency on April 1, 1996. Refer to Section 5 for detailed information.

|                                | Estimates of Expenditure<br>2007/2008 |                     | Estimates of Expenditure<br>2006/2007 (adjusted) |                     |
|--------------------------------|---------------------------------------|---------------------|--------------------------------------------------|---------------------|
|                                | FTE                                   | \$(000's)           | FTE                                              | \$(000's)           |
| <b>OTHER EXPENDITURES</b>      |                                       |                     |                                                  |                     |
| Grant/Transfer Payments        |                                       | <u>750.0</u>        |                                                  | <u>750.0</u>        |
| <b>TOTAL SUB-APPROPRIATION</b> |                                       | <u><u>750.0</u></u> |                                                  | <u><u>750.0</u></u> |

*Commencing with the 1996/97 fiscal year, the Industrial Technology Centre (ITC) was established as a special operating agency. The Centre formerly functioned as a part of the Economic Innovation and Technology Council. ITC will provide services to Science, Technology, Energy and Mines under contract in 2007/2008. Please refer to Part five for ITC's detailed financial information.*

SCIENCE, INNOVATION AND BUSINESS DEVELOPMENT

**SUB-APPROPRIATION 18 - 3D**

**MANITOBA EDUCATION, RESEARCH AND LEARNING INFORMATION NETWORKS  
(MERLIN)**

The Manitoba Education, Research and Learning Information Networks (MERLIN) is a special operating agency that provides distance education technology services for the Province. Refer to Section 5 for detailed information.

|                                | Estimates of Expenditure<br>2007/2008 |           | Estimates of Expenditure<br>2006/2007 (adjusted) |           |
|--------------------------------|---------------------------------------|-----------|--------------------------------------------------|-----------|
|                                | FTE                                   | \$(000's) | FTE                                              | \$(000's) |
| <b>OTHER EXPENDITURES</b>      |                                       |           |                                                  |           |
| Grant/Transfer Payments        |                                       | 445.8     |                                                  | 445.8     |
| <b>TOTAL SUB-APPROPRIATION</b> |                                       | 445.8     |                                                  | 445.8     |

| Res.<br>No. | Approp.<br>No. | Science, Technology, Energy and Mines (18)<br>Details of Appropriation | Estimates of<br>Expenditure<br>2007/2008<br>\$(000's) | Estimates of<br>Expenditure<br>2006/2007<br>(adjusted)<br>\$(000's) |
|-------------|----------------|------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|
|-------------|----------------|------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|

|      |    |                                                                |                 |                 |
|------|----|----------------------------------------------------------------|-----------------|-----------------|
| 18.4 | 4. | <b>MANITOBA INFORMATION AND<br/>COMMUNICATION TECHNOLOGIES</b> | <b>28,316.0</b> | <b>28,326.4</b> |
|------|----|----------------------------------------------------------------|-----------------|-----------------|

Ensure the best possible use of the province's existing information & communications technology (ICT) resources, systems, platforms, applications, and skills, while finding new ways to meet service challenges, plan for future needs, and respond to economic opportunities. Develop key ICT strategies, policies, standards and business processes to optimize the delivery of ICT functions in support of service delivery goals.

Provides an environment within government where appropriate technologies are fully integrated with program delivery requirements. Provides an analytical framework for review and approval of all ICT plans, projects and expenditures.

|                                                       |                 |                 |
|-------------------------------------------------------|-----------------|-----------------|
| a) ICT Services Manitoba                              | 72,571.8        | 64,919.6        |
| b) ICT Services Manitoba Recovery                     | (46,747.5)      | (39,044.3)      |
| c) Legislative Building Information Systems           | 1,250.5         | 1,209.9         |
| d) Service Delivery and Operational<br>Transformation | <u>1,241.2</u>  | <u>1,241.2</u>  |
|                                                       | <b>28,316.0</b> | <b>28,326.4</b> |

## MANITOBA INFORMATION AND COMMUNICATION TECHNOLOGIES

### SUB-APPROPRIATION 18 - 4A ICT SERVICES MANITOBA

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#### OBJECTIVES:

Ensure the best possible use of the province's existing information and communications technology (ICT) resources, systems, platforms, applications, and skills while finding new ways to meet service challenges, plan for future needs, and respond to economic opportunities.

#### ACTIVITY IDENTIFICATION:

- Develop and continually improve ICT strategic plans, policies, and measurement protocols.
- Work with stakeholders to optimize and align the ICT investment portfolio.
- Research and design new ICT products and services to help build new effective solutions.
- Establish flexible and adaptable information, application and technology foundations.
- Establish and monitor security standards and architecture.
- Exercise comptrollership responsibilities and provide overall financial leadership for ICT.
- Coordinate and manage the use of ICT resources across the ICT program portfolio.
- Proactively manage ICT contracts and license agreements.
- Plan, recruit, allocate, evaluate, train and develop resources for ICT work.
- Manage the process of implementing major changes in ICT to reduce the risks and costs of change, and to optimize its benefits.
- Manage the relationship between ICT and clients to ensure needs are addressed.
- Provide client support in the day-to-day delivery of ICT services.
- Proactively monitor service and process outcomes in relation to service contract conditions and performance goals.
- Improve the efficiency and effectiveness of project delivery through application of standard project management practices.
- Develop, deploy and support critical ICT infrastructure services.
- Develop and integrate applications to create functional systems responsive to the requirements of clients' program delivery needs.
- Maintain and operate existing applications that support the delivery of government program services.

#### EXPECTED RESULTS:

- Clear provision of direction and management of ICT.
- Implement the ICT Restructuring Initiative which impacts all government departments and involves 238 internal staff resources.
- Effective management of ICT assets and resources including some 500 servers, the corporate ERP system (SAP), 1000 program applications and 11,300 desktops.
- Effective management of network services connecting 300 government offices, 84 hospitals and health care units, 50 schools and University College of the North.
- Alignment of ICT services to client needs.
- Continuous delivery of high quality ICT services
- Develop ICT Service Level Agreements with all government departments

# MANITOBA INFORMATION & COMMUNICATION TECHNOLOGIES

## SUB-APPROPRIATION 18 - 4A ICT SERVICES MANITOBA

|                                         | Estimates of Expenditure<br>2007/2008 |                               | Estimates of Expenditure<br>2006/2007 (adjusted) |                 |
|-----------------------------------------|---------------------------------------|-------------------------------|--------------------------------------------------|-----------------|
|                                         | FTE                                   | \$(000's)                     | FTE                                              | \$(000's)       |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                               |                                                  |                 |
| Managerial                              | 8.00                                  | 756.5                         | 8.00                                             | 735.4           |
| Professional/Technical                  | 169.72                                | 13,883.7                      | 169.72                                           | 13,364.2        |
| Administrative Support                  | 16.00                                 | 704.5                         | 16.00                                            | 643.5           |
| Employee Benefits                       |                                       | 1,645.8                       |                                                  | 1,577.1         |
|                                         | <u>193.72</u>                         | <u>16,990.5</u>               | <u>193.72</u>                                    | <u>16,320.2</u> |
| Less: Allowance for Staff Turnover      |                                       | (321.4)                       |                                                  | (314.2)         |
| Salary Accrual                          |                                       | 60.8                          |                                                  |                 |
| Total Salaries and Employee Benefits    | <u>193.72</u>                         | <u>16,729.8<sup>(1)</sup></u> | <u>193.72</u>                                    | <u>16,006.0</u> |
| <b>OTHER EXPENDITURES</b>               |                                       |                               |                                                  |                 |
| Transportation                          |                                       | 62.9                          |                                                  | 62.9            |
| Communications                          |                                       | 843.0                         |                                                  | 793.0           |
| Supplies and Services                   |                                       | 15,945.9                      |                                                  | 10,766.3        |
| Other Operating                         |                                       | 38,755.2                      |                                                  | 37,056.4        |
| Minor Capital                           |                                       | 235.0                         |                                                  | 235.0           |
| Total Other Expenditures                |                                       | <u>55,842.0<sup>(2)</sup></u> |                                                  | <u>48,913.6</u> |
| <b>TOTAL SUB-APPROPRIATION (Net)</b>    | <u>193.72</u>                         | <u>72,571.8</u>               | <u>193.72</u>                                    | <u>64,919.6</u> |

1. Net increase a result of \$420.8 in general salary increases, 180.8 in normal salary adjustments, \$68.7 in employee benefit, \$60.8 in salary accrual and a decrease of (\$7.2) in staff turnover.
2. Net increase primarily the result of corporate increases (\$5,539.6 Corporate Mainframe, \$898.8 Corporate Desktop, \$500.0 PSDN Expansion to Health, \$50.0 MTS Phone Directory, \$300.0 for storage area network, offset by a decrease of (\$360.0) in Hewlett Packard agreement).

# MANITOBA INFORMATION & COMMUNICATION TECHNOLOGIES

## SUB-APPROPRIATION 18 – 4B ICT SERVICES MANITOBA RECOVERY

|                                       | Estimates of Expenditure<br>2007/2008 |                                        | Estimates of Expenditure<br>2006/2007 (adjusted) |                          |
|---------------------------------------|---------------------------------------|----------------------------------------|--------------------------------------------------|--------------------------|
|                                       | FTE                                   | \$(000's)                              | FTE                                              | \$(000's)                |
| Recoverable from Other Appropriations |                                       | <u>(46,747.5)</u>                      |                                                  | <u>(39,044.3)</u>        |
| <b>TOTAL SUB-APPROPRIATION</b>        |                                       | <u><u>(46,747.5)<sup>(1)</sup></u></u> |                                                  | <u><u>(39,044.3)</u></u> |

1. Net increase the result of corporate increases (\$5,539.6 Corporate Mainframe, \$898.8 Corporate Desktop, \$500.0 PSDN Expansion to Health, \$50.0 MTS Phone Directory, \$429.1 salary recovery increase, offset by a decrease of (\$300.0) for storage area network.)

## MANITOBA INFORMATION AND COMMUNICATION TECHNOLOGIES

### SUB-APPROPRIATION 18 – 4C LEGISLATIVE BUILDING INFORMATION SYSTEMS

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#### OBJECTIVES:

To provide a secure technological environment with highly responsive support services and reliable systems that address business requirements of diverse users in the Legislative Building.

The user community encompasses both government and non-government staff. Government staff includes Executive Council, Ministers' and Deputy Ministers' offices, Treasury Division, and departmental staff that work in the building. Non-government staff includes the Legislative Assembly offices of the Speaker and the Clerk, the Leaders of the Opposition, and Caucus offices.

#### ACTIVITY IDENTIFICATION:

- To direct and plan Information Technology initiatives in the Legislative Building;
- To develop and implement strong security strategies to protect electronic information;
- To provide desktop management services including help desk support, requirements analysis, purchasing and asset management;
- To implement and manage all computing services such as e-mail, document storage, printing, remote access, etc.;
- To manage the communications infrastructure for the building network, access to the Internet, and access to the Government-wide network;
- To analyse, develop, implement and support business applications; and
- To provide consulting and project management services on outsource initiatives.

#### EXPECTED RESULTS:

- A computing environment that is in line with best practices in operations and security;
- Security strategies and technology that monitor intrusions, detect viruses, identify spam mail and enable recovery from disasters;
- Up-to-date hardware and software technology that provides secure and reliable services for e-mail, document storage, printing, applications, remote access to information, etc.;
- A responsive corporate issues tracking system that provides a secure electronic environment to scan correspondence and track issues, provide the ability to archive information for future access, and seamlessly accommodate major changes in the environment;
- Network infrastructure capable of moving forward with increasing demands for audio/video communications with people outside the building;
- Wireless Network access from key areas in the building;
- Custom and shrink-wrapped applications that accommodate unique requirements in offices; Upgraded Treasury Management System to Tman V8.1.

# MANITOBA INFORMATION AND COMMUNICATION TECHNOLOGY

## SUB-APPROPRIATION 18 – 4C LEGISLATIVE BUILDING INFORMATION SYSTEMS

|                                         | Estimates of Expenditure<br>2007/2008 |                              | Estimates of Expenditure<br>2006/2007 (adjusted) |                |
|-----------------------------------------|---------------------------------------|------------------------------|--------------------------------------------------|----------------|
|                                         | FTE                                   | \$(000's)                    | FTE                                              | \$(000's)      |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                              |                                                  |                |
| Managerial                              | 1.00                                  | 92.4                         | 1.00                                             | 89.9           |
| Professional/Technical                  | 11.00                                 | 771.6                        | 11.00                                            | 742.1          |
| Administrative Support                  | 1.00                                  | 45.4                         | 1.00                                             | 44.2           |
| Employee Benefits                       |                                       | 122.6                        |                                                  | 118.5          |
|                                         | <u>13.00</u>                          | <u>1,032.0</u>               | <u>13.00</u>                                     | <u>994.7</u>   |
| Less: Allowance for Staff Turnover      |                                       | (19.6)                       |                                                  | (19.1)         |
| Salary Accrual                          |                                       | 3.8                          |                                                  |                |
| Total Salaries and Employee Benefits    | <u>13.00</u>                          | <u>1,016.2<sup>(1)</sup></u> | <u>13.00</u>                                     | <u>975.6</u>   |
| <b>OTHER EXPENDITURES</b>               |                                       |                              |                                                  |                |
| Transportation                          |                                       | 1.0                          |                                                  | 1.0            |
| Communications                          |                                       | 16.0                         |                                                  | 16.0           |
| Supplies and Services                   |                                       | 32.0                         |                                                  | 32.0           |
| Other Operating                         |                                       | 185.3                        |                                                  | 185.3          |
| Total Other Expenditures                |                                       | <u>234.3</u>                 |                                                  | <u>234.3</u>   |
| <b>TOTAL SUB-APPROPRIATION</b>          | <u>13.00</u>                          | <u>1,250.5</u>               | <u>13.00</u>                                     | <u>1,209.9</u> |

1. Net increase a result of \$23.6 in general salary increase, \$9.6 in normal salary adjustments, \$4.1 in employee benefits, \$3.8 in salary accrual and (\$0.5) in staff turnover allowance.

## MANITOBA INFORMATION AND COMMUNICATION TECHNOLOGIES

### SUB-APPROPRIATION 18 – 4D

#### **SERVICE DELIVERY AND OPERATIONAL TRANSFORMATION**

---

Service Delivery and Operational Transformation provides leadership for service delivery activities, operational transformation activities and the SAP implementation across the Government of Manitoba.

#### **OBJECTIVES:**

To improve service delivery by modernizing government through achieving simplicity, developing partnerships, engaging technology, organizational innovation, streamlining and improving business interactions, and performance reporting.

To provide leadership for improvement of service quality, citizen-centered service delivery and single window initiatives.

To maximize the potential of the SAP enterprise resource planning tool.

To facilitate operational transformation through operational reviews, change management, user transition, development of communication plans, training support and end-user role definition and readiness.

To serve as a link to inter-jurisdictional committees and forums where information and knowledge on service delivery and operational transformation are exchanged.

To provide support for Committees driving service delivery and operational transformation.

#### **EXPECTED RESULTS:**

- Complete a comprehensive Service Delivery Strategy for the Government of Manitoba, building on strengths in our business, education and government community.
- Continue "At Your Service Manitoba" initiatives to ensure a unified approach to citizen focused service delivery
- Take a leadership and policy role in influencing direction of the new Corporate ICT organization, government-wide technology and innovation efforts, and service improvement and transformation
- Lead an Information Management Program for the Government of Manitoba.
- Continue building upon the foundation built to date by the Coordinated Services Committee.

# MANITOBA INFORMATION AND COMMUNICATION TECHNOLOGIES

## SUB-APPROPRIATION 18 – 4D

### SERVICE DELIVERY AND OPERATIONAL TRANSFORMATION

- Establish an Enterprise Resource Planning (ERP) Program Management Office to:
  - Maximize Manitoba's ERP investment by leveraging the implementation of all opportunities where the ERP (SAP) is the most appropriate solution to a business need;
  - Focus as Manitoba's activities on service transformation through a solid business case approach that maximizes value and service delivery goals.
- Support the Single Window Service to Business initiative that is being led by the Department of Competitiveness, Training and Trade.
- Continue with implementation of Biz Pal.
- Participate in the Telephony Strategy.
- Conduct approximately 30 departmental surveys for departments and various stakeholders.
- Continue promoting and implementing Service Quality Partners and Manitoba Service Excellence Awards.

|                                         | Estimates of Expenditure<br>2007/2008 |                | Estimates of Expenditure<br>2006/2007 (adjusted) |                |
|-----------------------------------------|---------------------------------------|----------------|--------------------------------------------------|----------------|
|                                         | FTE                                   | \$(000's)      | FTE                                              | \$(000's)      |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                |                                                  |                |
| Managerial                              | 3.00                                  | 182.4          | 3.00                                             | 182.4          |
| Professional/Technical                  | 8.00                                  | 444.1          | 8.00                                             | 441.2          |
| Administrative Support                  | 5.00                                  | 141.6          | 5.00                                             | 140.8          |
| Employee Benefits                       |                                       | 58.3           |                                                  | 62.0           |
|                                         | 16.00                                 | 826.4          | 16.00                                            | 826.4          |
| Less: Allowance for Staff Turnover      |                                       | -              |                                                  | -              |
| Total Salaries and Employee Benefits    | 16.00                                 | 826.4          | 16.00                                            | 826.4          |
| <b>OTHER EXPENDITURES</b>               |                                       |                |                                                  |                |
| Transportation                          |                                       | 11.5           |                                                  | 11.5           |
| Communications                          |                                       | 47.0           |                                                  | 47.0           |
| Supplies and Services                   |                                       | 296.1          |                                                  | 296.1          |
| Other Operating                         |                                       | 60.2           |                                                  | 60.2           |
| Total Other Expenditures                |                                       | 414.8          |                                                  | 414.8          |
| <b>TOTAL SUB-APPROPRIATION</b>          | <b>16.00</b>                          | <b>1,241.2</b> | <b>16.00</b>                                     | <b>1,241.2</b> |

| Res.<br>No. | Approp.<br>No. | Science, Technology, Energy and<br>Mines (18)<br>Details of Appropriation                                                                                                                                                               | Estimates of<br>Expenditure<br>2007/2008<br>\$(000's) | Estimates of<br>Expenditure<br>2006/2007<br>(adjusted)<br>\$(000's) |
|-------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|
| 18.5        | 5.             | <b>MINERAL RESOURCES</b>                                                                                                                                                                                                                | <b>12,147.5</b>                                       | <b>11,845.5</b>                                                     |
|             |                | Provides authoritative documentation of the province's mineral endowment and development potential.                                                                                                                                     |                                                       |                                                                     |
|             |                | Provides for the administration of legislation governing the disposition of mineral rights, the exploration, development and production of the province's mineral resources and the rehabilitation of mines and quarries.               |                                                       |                                                                     |
|             |                | Provides for the administration of legislation governing the disposition of petroleum rights, exploration, development and production of petroleum resources, and the abandonment and rehabilitation of wells and petroleum facilities. |                                                       |                                                                     |
|             |                | Provides for the resolution of disputes between surface rights holders and mineral rights holders with respect to accessing minerals, oil and gas.                                                                                      |                                                       |                                                                     |
|             |                | a) Manitoba Geological Survey                                                                                                                                                                                                           | 5,539.2                                               | 5,434.7                                                             |
|             |                | b) Mines                                                                                                                                                                                                                                | 2,074.7                                               | 2,032.1                                                             |
|             |                | c) Petroleum                                                                                                                                                                                                                            | 1,642.7                                               | 1,425.2                                                             |
|             |                | d) Boards and Commissions                                                                                                                                                                                                               | 46.8                                                  | 45.4                                                                |
|             |                | e) Mineral Industry Support Programs                                                                                                                                                                                                    | <u>2,844.1</u>                                        | <u>2,908.1</u>                                                      |
|             |                |                                                                                                                                                                                                                                         | <b>12,147.5</b>                                       | <b>11,845.5</b>                                                     |

## MINERAL RESOURCES

### SUB-APPROPRIATION 18-5A MANITOBA GEOLOGICAL SURVEY

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#### OBJECTIVES:

1. To facilitate the development and management of Manitoba's mineral resources by: providing authoritative documentation of the province's geology and mineral potential, and by creating a positive and competitive business climate.
2. To increase the geoscientific knowledge base of the Province, primarily by conducting field studies and systematic bedrock and surficial mapping.
3. To increase the effectiveness of mineral exploration activities in both established mining areas and in frontier areas through relevant geoscientific projects.
4. To maximize the range and impact of geoscience investigations through collaboration with industry, federal, university and other provincial agencies.
5. To provide authoritative geoscience information in land-use exercises (such as large-area planning, protected areas, and municipal planning).
6. To develop products that respond to clients' increasing needs for digital information.
7. To evaluate environmental impacts and geohazards.
8. To increase awareness of the province's mineral resources and mining industry to communities, aboriginal people, and the public at large through outreach activities.

#### ACTIVITY IDENTIFICATION:

The Manitoba Geological Survey conducts a wide range of activities related to the development and management of Manitoba's mineral resources, including:

- Geological investigations in Manitoba's Precambrian Shield, Western Canada Sedimentary Basin, and Hudson Bay Basin. Investigations include examination of exposed bedrock, subsurface materials, and surficial sediments including sand, gravel and organic deposits.
- Provision of geoscientific data and products such as geological maps and reports, metallic and industrial mineral deposit reports and databases, mineral resource assessments, targeted geoscience research, development of exploration models, and maintenance of data inventories.
- Provision of information services through the Mineral Resources Division's library, web site and publication sales to a broad range of clients and the general public.
- Outreach activities such as mineral education activities and school presentations as well as Aboriginal mining workshops and training programs.
- Co-ordination of one of the premier minerals conventions in Canada. The Manitoba Mining and Minerals Convention is held annually in November and provides a forum for the promotion of new Manitoba geoscience data and interpretation, Manitoba exploration and mining companies, Manitoba mineral properties, and the local service support industry.
- Administration and management of industry incentive programs, business development initiatives and minerals policy development.

The primary clients of the program are mineral exploration and mining companies, prospectors, consultants, engineering companies, investment houses, insurance companies, quarry operators, Manitoba Hydro and municipalities. Geoscience information is increasingly becoming vital in issues (such as groundwater and flood hazard studies) affecting the general public.

The Manitoba Geological Survey:

- Annually conducts systematic geological, geophysical and geochemical field investigations to document and assess the province's geological framework and mineral resource potential.

# MINERAL RESOURCES

## SUB-APPROPRIATION 18-5A MANITOBA GEOLOGICAL SURVEY

|                                         | Estimates of Expenditure<br>2007/2008 |                              | Estimates of<br>Expenditure<br>2006/2007 (adjusted) |                |
|-----------------------------------------|---------------------------------------|------------------------------|-----------------------------------------------------|----------------|
|                                         | FTE                                   | \$(000's)                    | FTE                                                 | \$(000's)      |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                              |                                                     |                |
| Managerial                              | 3.00                                  | 279.7                        | 3.00                                                | 272.6          |
| Professional/Technical                  | 40.10                                 | 2,502.4                      | 42.10                                               | 2,439.0        |
| Administrative Support                  | 12.00                                 | 514.2                        | 12.00                                               | 501.2          |
| Employee Benefits                       |                                       | 422.3                        |                                                     | 410.3          |
|                                         | <u>55.10</u>                          | <u>3,718.6</u>               | <u>57.10</u>                                        | <u>3,623.1</u> |
| Less: Allowance for Staff Turnover      |                                       |                              |                                                     |                |
| Salary Accrual                          |                                       | 14.0                         |                                                     |                |
| Total Salaries and Employee Benefits    | <u>55.10</u>                          | <u>3,732.6<sup>(1)</sup></u> | <u>57.10</u>                                        | <u>3,623.1</u> |
| <b>OTHER EXPENDITURES</b>               |                                       |                              |                                                     |                |
| Transportation                          |                                       | 150.0                        |                                                     | 150.0          |
| Communication                           |                                       | 146.5                        |                                                     | 146.5          |
| Supplies and Services                   |                                       | 1,014.8                      |                                                     | 1,014.8        |
| Other Operating                         |                                       | 424.0                        |                                                     | 429.0          |
| Minor Capital                           |                                       | 71.3                         |                                                     | 71.3           |
| Total Other Expenditures                |                                       | <u>1,806.6<sup>(2)</sup></u> |                                                     | <u>1,811.6</u> |
| <b>TOTAL SUB-APPROPRIATION</b>          | <u>55.10</u>                          | <u>5,539.2</u>               | <u>57.10</u>                                        | <u>5,434.7</u> |

1. Net increase a result of \$83.5 in general salary increase, \$12.0 in employee benefits and 14.0 in salary accrual. Two FTE's transferred to Petroleum as a result of change in activities.
2. Corporate adjustment.

## MINERAL RESOURCES

### SUB-APPROPRIATION 18-5B MINES

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#### OBJECTIVES:

To implement a broad range of program initiatives set out under The Mines and Minerals Act including: the issuing and regulating of Crown mineral dispositions; collection of royalties, levies and other fees; resolution of land tenure conflicts and disputes related to mineral access and development; environmental regulation of exploration and mining activity on all Crown and private lands; and the rehabilitation of depleted pits, quarries, and metal mines.

#### ACTIVITY IDENTIFICATION:

The Mines and Minerals Act is Manitoba's "one window" legislation governing exploration, development and production of minerals, and it sets out the legal framework for a variety of program initiatives ensuring overall compliance with the principles of sustainable development that are embodied in Subsection 2(2). Mines Branch staff are responsible for administration, compliance enforcement, and actual implementation of programs under the authority of this Act and its regulations. The Branch administers The Mines and Minerals Act and regulations, including: The Drilling Regulation, The Mineral Disposition and Mineral Lease Regulation, The Quarry Minerals Regulation and The Mine Closure Regulation. More specifically, this includes:

- Issuing mineral dispositions, leases and private pit registrations under The Mines and Minerals Act and Regulations and maintaining a registry system of all mineral dispositions and leases issued.
- Collecting fees, rentals, royalties, taxes and rehabilitation levies due to the Crown.
- Reviewing reports of work and maintaining and issuing assessment data as appropriate.
- Conducting effective claim inspections and the inspection of pits and quarries to ensure that they meet the requirements of The Mines and Minerals Act (environment/safety).
- Resolving land use conflicts to minimize sterilization of mineral resources. Mines Branch provides land planning support to Provincial Land Use Policy #9.
- Monitoring the mining operations in the Province and directing the rehabilitation of lands issued for mining purposes and subsequent to closure of the mining operations.
- Implement the Orphaned/Abandoned Mine Site Program.
- Interacting with other government departments and Crown agencies to ensure that policy decisions do not unduly hinder mineral exploration and development.
- Review and assess land use and management proposals including subdivision applications, Crown land sales, zoning and policy memorandum and Crown surface encumbrances (leases, permits, caveats and easements) for potential land use, tenure and environmental conflicts. Land use proposals are processed in a timely manner to ensure that the needs of the public are facilitated.
- Provide technical and management support for meeting provincial obligations for Treaty Land Entitlement, Northern Flood Agreement and Grand Rapids Forebay Agreement.
- Provide technical support and products that facilitate mineral resource management and stewardship in Manitoba. Services include technical submissions to land planning authorities established under provincial legislation as well as planning document reviews to ensure that lands containing mineral potential are available for exploration and extraction purposes.

- Provide presentations, workshops and internet access to land management issues, policies, practices and ensure that there is an opportunity for public involvement in mineral resource management. Activities include oral and poster presentations at conferences, workshops, public meetings and direct stakeholder consultations concerning mineral resource management.
- The principles of sustainable development have been codified in law in The Mines and Minerals Act and Sustainable Development Act. This activity is targeted at facilitating the concept of sustainable development into the mining sector, public sector and ensuring the province land use activities meet provincial sustainable goals. Policy development and technical support is provided to the Provincial Sustainable Development Program.
- Ensuring that potential environmental public safety hazards associated with orphan mine sites (abandoned mine tailings, mine shafts, open pits and quarries) on Crown lands are identified and remedied.
- Rehabilitation of all private and Crown aggregate (gravel / crushed stone) pits and quarries in the Province, through a self funded program established under Section 200 of the Act. Mines Inspectors direct work through the supervision of private heavy-equipment owners hired under equipment rental agreements or contracts. Since being introduced in 1992, over 6,576 hectares (16,200 acres) of depleted pits and quarries have been rehabilitated under 1,527 separate projects.
- Providing administrative support to quasi-jurisdictional boards including the Mining Board and the Surface Rights Board, whose primary function is to arbitrate land access and use disputes.

#### **EXPECTED RESULTS:**

Effective implementation of the various initiatives will achieve the stated objectives and purpose of The Mines and Minerals Act Section 2(1) which is "to provide for, encourage, promote and facilitate exploration, development and production of minerals and mineral product in Manitoba, consistent with the principles of sustainable development". These programs are legislatively based and legally binding on the Province.

Protection of the environment and mitigation of land use conflicts historically associated with mining are important benefits of many of the programs.

Over the long term, the provision of a stable, competitive mineral tenure system supported by accurate information resources and reasonable environmental safeguards attracts and encourages mineral exploration and mine development.

Collection of royalties and fees associated with mining activity helps pay for important health and social programs that benefit Manitobans.

The mining sector produces essential raw materials that help sustain our infrastructure, consumer products and significantly contribute to Manitoba's balance of payment and the economy. Mining is Manitoba's second largest primary resource sector.

# MINERAL RESOURCES

## SUB-APPROPRIATION 18-5B MINES

|                                         | Estimates of Expenditure<br>2007/2008 |                              | Estimates of<br>Expenditure<br>2006/2007 (adjusted) |                |
|-----------------------------------------|---------------------------------------|------------------------------|-----------------------------------------------------|----------------|
|                                         | FTE                                   | \$(000's)                    | FTE                                                 | \$(000's)      |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                              |                                                     |                |
| Managerial                              | 1.00                                  | 93.6                         | 1.00                                                | 91.2           |
| Professional/Technical                  | 15.00                                 | 667.6                        | 15.00                                               | 650.3          |
| Administrative Support                  | 10.00                                 | 458.5                        | 10.00                                               | 439.4          |
| Employee Benefits                       |                                       | 144.6                        |                                                     | 140.9          |
|                                         | <u>26.00</u>                          | <u>1,364.3</u>               | <u>26.00</u>                                        | <u>1,321.8</u> |
| Less: Allowance for Staff Turnover      |                                       |                              |                                                     |                |
| Salary Accrual                          |                                       | 5.1                          |                                                     |                |
| Total Salaries and Employee Benefits    | <u>26.00</u>                          | <u>1,369.4<sup>(1)</sup></u> | <u>26.00</u>                                        | <u>1,321.8</u> |
| <b>OTHER EXPENDITURES</b>               |                                       |                              |                                                     |                |
| Transportation                          |                                       | 81.0                         |                                                     | 81.0           |
| Communications                          |                                       | 27.8                         |                                                     | 27.8           |
| Supplies and Services                   |                                       | 468.0                        |                                                     | 468.0          |
| Other Operating                         |                                       | 118.5                        |                                                     | 123.5          |
| Minor Capital                           |                                       | 10.0                         |                                                     | 10.0           |
|                                         |                                       | <u>705.3<sup>(2)</sup></u>   |                                                     | <u>710.3</u>   |
| Total Other Expenditures                |                                       | <u>705.3<sup>(2)</sup></u>   |                                                     | <u>710.3</u>   |
| <b>TOTAL SUB-APPROPRIATION</b>          | <u>26.00</u>                          | <u>2,074.7</u>               | <u>26.00</u>                                        | <u>2,032.1</u> |

1. Net increase the result of \$31.3 general salary increase, \$7.3 in normal salary adjustments, \$3.9 in employee benefits and \$5.1 in salary accrual.
2. Corporate adjustment.

## MINERAL RESOURCES

### SUB-APPROPRIATION 18-5C

#### PETROLEUM

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##### OBJECTIVES:

To provide for and encourage the safe and efficient development of Manitoba's oil and gas resources in accordance with the principles of sustainable development.

##### ACTIVITY IDENTIFICATION:

The Petroleum Branch administers The Oil and Gas Act, The Oil and Gas Production Tax Act and provisions under The Workplace Safety and Health Act and carries out the following activities:

- Plans, recommends, implements, administers, monitors and evaluates oil and gas resource policies and programs;
- Administration of Crown oil and gas rights;
- Collection of Crown royalties and freehold production taxes;
- Administration of the Drilling Incentive Program;
- Licensing of oil and gas wells, petroleum geophysical programs and oil and gas facilities;
- Enforcement of regulations designed to ensure worker safety, environmental protection and fair distribution of the proceeds of oil and gas production;
- Manage wells and oil and gas facilities seized under The Oil and Gas Act and administer the Abandonment Fund;
- Collects, records and disseminates well data; conducts geological and engineering studies and provides consultation to the petroleum industry and the general public; and
- Conducts marketing activities highlighting Manitoba's oil and gas resource potential.

##### EXPECTED RESULTS:

- Legislation, regulations and policies that meet Government objectives and provide a competitive environment to attract and maintain a sustainable level of petroleum exploration and development;
- Timely and effective processing of well licences and technical applications to meet industry requirements;
- Timely and accurate information available to Government, industry and the public on regulatory requirements, Crown oil and gas rights, industry activity and technical well data;
- Timely collection and accurate auditing of oil and gas revenues and effective administration of drilling incentive programs;
- Cost effective, timely and proper abandonment of seized wells and oil and gas facilities; and  
Studies, projects, reports, data, mapping and informational materials designed to assist and encourage investment in Manitoba's oil and gas resources

# MINERAL RESOURCES

## SUB-APPROPRIATION 18-5C PETROLEUM

|                                         | Estimates of Expenditure<br>2007/2008 |                              | Estimates of Expenditure<br>2006/2007 (adjusted) |                |
|-----------------------------------------|---------------------------------------|------------------------------|--------------------------------------------------|----------------|
|                                         | FTE                                   | \$(000's)                    | FTE                                              | \$(000's)      |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                              |                                                  |                |
| Managerial                              | 1.00                                  | 93.8                         | 1.00                                             | 91.5           |
| Professional/Technical                  | 15.00                                 | 800.2                        | 13.00                                            | 715.8          |
| Administrative Support                  | 5.50                                  | 267.8                        | 5.50                                             | 221.3          |
| Employee Benefits                       |                                       | 111.1                        |                                                  | 106.6          |
|                                         | <u>21.50</u>                          | <u>1,272.9</u>               | <u>19.50</u>                                     | <u>1,135.2</u> |
| Less: Allowance for Staff Turnover      |                                       |                              |                                                  |                |
| Salary Accrual                          |                                       | 4.8                          |                                                  |                |
| Total Salaries and Employee Benefits    | <u>21.50</u>                          | <u>1,277.7<sup>(1)</sup></u> | <u>19.50</u>                                     | <u>1,135.2</u> |
| <b>OTHER EXPENDITURES</b>               |                                       |                              |                                                  |                |
| Transportation                          |                                       | 61.9                         |                                                  | 61.9           |
| Communications                          |                                       | 36.3                         |                                                  | 36.3           |
| Supplies and Services                   |                                       | 149.1                        |                                                  | 111.6          |
| Other Operating                         |                                       | 92.7                         |                                                  | 55.2           |
| Minor Capital                           |                                       | 25.0                         |                                                  | 25.0           |
| Total Other Expenditures                |                                       | <u>365.0</u>                 |                                                  | <u>290.0</u>   |
| <b>TOTAL SUB-APPROPRIATION</b>          | <u>21.50</u>                          | <u>1,642.7</u>               | <u>19.50</u>                                     | <u>1,425.2</u> |

1. Net increase \$28.2 general salary increases, \$105.0 in normal salary adjustments (2 FTE's transferred from Geological Survey), \$4.5 in employee benefits \$4.8 in salary accrual.
2. Net increase due to increase in program activity; oil and gas inspections.

## MINERAL RESOURCES

### SUB-APPROPRIATION 18-5D BOARDS AND COMMISSIONS

#### OBJECTIVES:

To provide for the resolution of disputes between surface rights holders, mineral rights, and oil and gas rights holders with respect to accessing minerals, oil and gas.

#### ACTIVITY IDENTIFICATION:

**The Surface Rights Board** provides for the resolution of disputes between surface rights holders and oil and gas rights holders with respect to accessing oil and gas. They deal with issues relating to right of entry and compensation to owners of surface rights in respect of drilling for oil and gas and geophysical exploration.

**The Mining Board** provides for the resolution of disputes between surface rights holders and minerals rights holders with respect to accessing minerals, including but not limited to aggregates, industrial minerals and metallic minerals. They also hear applications for access rights for exploration activities and will determine compensation levels for landowners on request. The Mining Board can also hear and resolve disputes between holders of mineral dispositions and between holders and officers of the department.

#### EXPECTED RESULTS:

To facilitate the fair and equitable process that effectively provides land access for the oil and gas industry and also for mineral rights owners to carry out exploration activities, at the same time, respects surface rights owners through appropriate compensation.

The Mining Board provides an impartial review of decisions and actions of Mines Branch staff to ensure a fair and consistent application of The Mines and Minerals Act.

|                                         | Estimates of Expenditure<br>2007/2008 |                     | Estimates of<br>Expenditure<br>2006/2007 (adjusted) |           |
|-----------------------------------------|---------------------------------------|---------------------|-----------------------------------------------------|-----------|
|                                         | FTE                                   | \$(000's)           | FTE                                                 | \$(000's) |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                                       |                     |                                                     |           |
| Professional/Technical                  |                                       | 26.2                |                                                     | 25.0      |
| Employee Benefits                       |                                       | 2.9                 |                                                     | 2.7       |
| Total Salaries and Employee Benefits    |                                       | 29.1 <sup>(1)</sup> |                                                     | 27.7      |
| <b>OTHER EXPENDITURES</b>               |                                       |                     |                                                     |           |
| Transportation                          |                                       | 5.0                 |                                                     | 5.0       |
| Supplies and Services                   |                                       | 11.0                |                                                     | 11.0      |
| Other Operating                         |                                       | 1.7                 |                                                     | 1.7       |
| Total Other Expenditures                |                                       | 17.7                |                                                     | 17.7      |
| <b>TOTAL SUB-APPROPRIATION</b>          |                                       | 46.8                |                                                     | 45.4      |

1. Net increase the result of \$1.2 in general salary increase and \$0.2 in employee benefits.

## MINERAL RESOURCES

### SUB-APPROPRIATION 18-5E MINERAL INDUSTRY SUPPORT PROGRAMS

#### ACTIVITY IDENTIFICATION:

❖ Mineral Industry Support Programs are delivered under Manitoba Geological Survey (18-5A)

|                                              | Estimates of Expenditure<br>2007/2008 |                     | Estimates of<br>Expenditure<br>2006/2007 (adjusted) |                |
|----------------------------------------------|---------------------------------------|---------------------|-----------------------------------------------------|----------------|
|                                              | FTE                                   | \$(000's)           | FTE                                                 | \$(000's)      |
| <b>MINERAL INDUSTRY SUPPORT<br/>PROGRAMS</b> |                                       |                     |                                                     |                |
| Mineral Exploration Assistance Program       |                                       | 2,500.0             |                                                     | 2,500.0        |
| Prospectors Assistance Program               |                                       | 123.1               |                                                     | 123.1          |
| Manitoba Potash Project                      |                                       | 196.5               |                                                     | 196.5          |
| Acid Rain Abatement Program- Flin Flon       |                                       | 24.5 <sup>(1)</sup> |                                                     | 88.5           |
| <b>TOTAL PROGRAM DELIVERY</b>                |                                       | <u>2,844.1</u>      |                                                     | <u>2,908.1</u> |

1. Reduction in Program funding.

| Res.<br>No. | Approp.<br>No. | Science, Technology, Energy and Mines (18)<br>Details of Appropriation | Estimates of<br>Expenditure<br>2007/2008<br>\$(000's) | Estimates of<br>Expenditure<br>2006/2007<br>(adjusted)<br>\$(000's) |
|-------------|----------------|------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|
|-------------|----------------|------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|

|      |    |                                        |                 |                 |
|------|----|----------------------------------------|-----------------|-----------------|
| 18.5 | 5. | <b>COSTS RELATED TO CAPITAL ASSETS</b> | <b>12,820.3</b> | <b>11,192.7</b> |
|------|----|----------------------------------------|-----------------|-----------------|

Provides for costs related to Capital Assets.

|                                  |                 |                 |
|----------------------------------|-----------------|-----------------|
| a) Desktop Management Initiative | 0.0             | 0.0             |
| b) Enterprise System             | 0.0             | 0.0             |
| c) Desktop Services              | 131.3           | 131.3           |
| d) Amortization Expense          | 8,167.1         | 6,767.6         |
| e) Interest Expense              | <u>4,521.9</u>  | <u>4,293.8</u>  |
|                                  | <b>12,820.3</b> | <b>11,192.7</b> |

## AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS

### SUB-APPROPRIATION 18 - 6A, 6B, 6C, 6D, 6E

### AMORTIZATION OF AND OTHER COSTS RELATED TO CAPITAL ASSETS

Commencing in 2001/2002, it is the policy of the Province of Manitoba to record in the accounts of the Province, the tangible capital assets owned and used by the Province along with appropriate amortization costs. Standard asset classes have been established by the Provincial Comptroller, along with capitalization thresholds and corresponding amortization rates. Consistent with this policy, this sub-appropriation records the costs associated with the amortization of the Department's share of the total estimated costs of the Desktop Management and Better Methods initiatives allocated to the Department, in the case of Desktop, on the basis of units acquired by the Department as a percentage of total units acquired by the Province and, in the case of Better Methods, by projected departmental use. A small amount is also included for the amortization of other departmental assets.

|                                                | Estimates of Expenditure<br>2007/2008 |                        | Estimates of<br>Expenditure<br>2006/2007 (adjusted) |           |
|------------------------------------------------|---------------------------------------|------------------------|-----------------------------------------------------|-----------|
|                                                | FTE                                   | \$(000's)              | FTE                                                 | \$(000's) |
| <b>OTHER EXPENDITURES</b>                      |                                       |                        |                                                     |           |
| <b>(6A) Desktop Management Initiative</b>      |                                       |                        |                                                     |           |
| Government Wide Desktop costs                  |                                       | 4,803.3                |                                                     | 4,803.3   |
| Less: Recoverable from other<br>appropriations |                                       | (4,803.3)              |                                                     | (4,803.3) |
| <b>(6A) TOTAL SUB-APPROPRIATION</b>            |                                       | -                      |                                                     | -         |
| <b>(6B) Enterprise System</b>                  |                                       |                        |                                                     |           |
| Amortization Expenses                          |                                       | 3,447.6                |                                                     | 3,447.6   |
| Less: Recoverable from other<br>appropriations |                                       | (3,447.6)              |                                                     | (3,447.6) |
| <b>(6B) TOTAL SUB-APPROPRIATION</b>            |                                       | -                      |                                                     | -         |
| <b>(6C) Desktop Services</b>                   |                                       |                        |                                                     |           |
| Amortization Expense - Transition              |                                       | 38.5                   |                                                     | 38.5      |
| Enterprise Software Licences                   |                                       | 92.8                   |                                                     | 92.8      |
| <b>(6C) TOTAL SUB-APPROPRIATION</b>            |                                       | 131.3                  |                                                     | 131.3     |
| <b>(6D) TOTAL Amortization Expense</b>         |                                       | 8,167.1 <sup>(1)</sup> |                                                     | 6,767.6   |
| <b>(6E) TOTAL Interest Expense</b>             |                                       | 4,521.9 <sup>(1)</sup> |                                                     | 4,293.8   |
| <b>TOTAL SUB-APPROPRIATION</b>                 |                                       | 12,820.3               |                                                     | 11,192.7  |

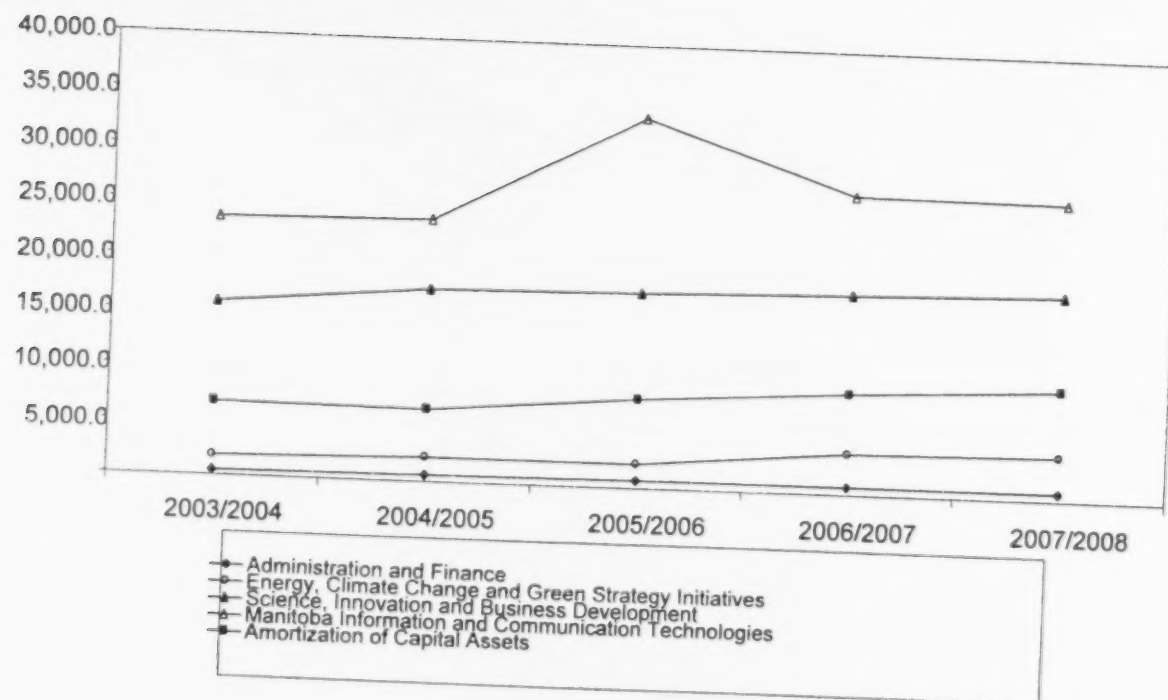
1. Change in amortization and interest costs is related to capital investment.

**PART 3**  
**HISTORICAL INFORMATION**

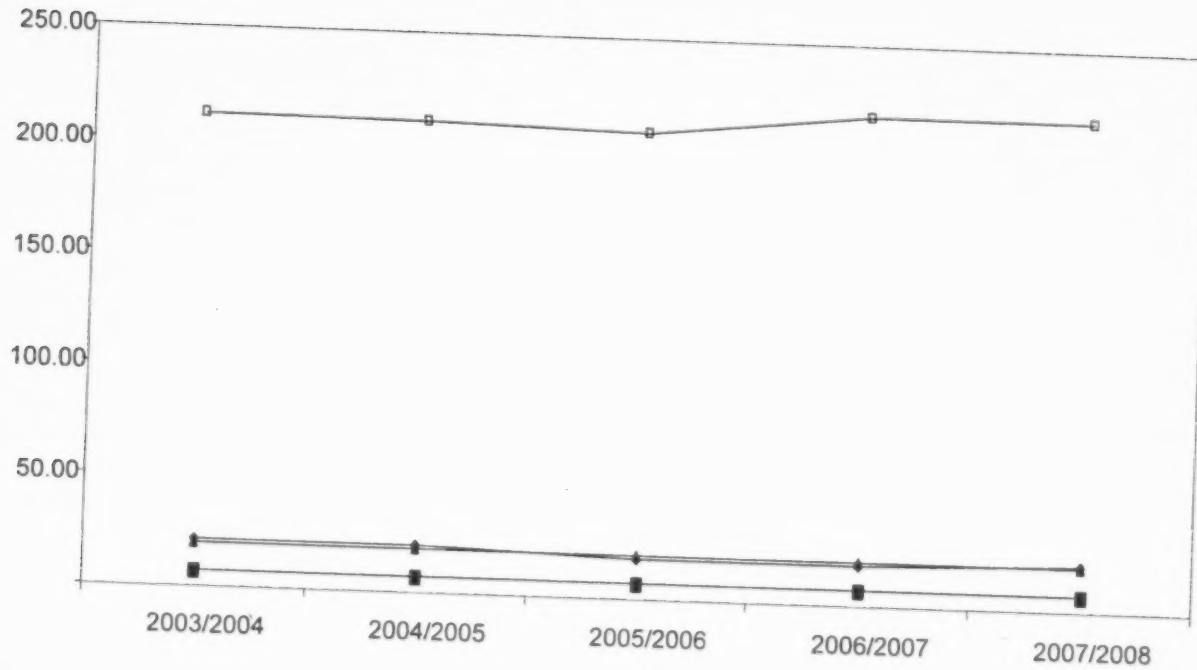
DEPARTMENT OF SCIENCE, TECHNOLOGY, ENERGY AND MINES  
 FIVE YEAR EXPENDITURES AND STAFFING SUMMARY BY APPROPRIATION (\$000s)  
 FOR YEARS ENDING MARCH 31, 2004 - MARCH 31, 2008

|                                                          |               |                 |               |                 |               |                 | ADJUSTED<br>ESTIMATES OF<br>EXPENDITURE<br>2006/2007 |                 | PRINTED MAIN<br>ESTIMATES OF<br>EXPENDITURE<br>2007/2008 |                 |
|----------------------------------------------------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|------------------------------------------------------|-----------------|----------------------------------------------------------|-----------------|
|                                                          | 2003/2004     |                 | 2004/2005     |                 | 2005/2006     |                 | FTEs                                                 | \$000s          | FTEs                                                     | \$000s          |
|                                                          | FTEs          | \$000s          | FTEs          | \$000s          | FTEs          | \$000s          |                                                      |                 |                                                          |                 |
| Administration and Finance                               | 7.00          | 606.6           | 7.00          | 567.0           | 7.00          | 626.1           | 7.00                                                 | 682.0           | 7.00                                                     | 704.9           |
| Energy, Climate Change and Green<br>Strategy Initiatives | 21.00         | 3,472.9         | 21.00         | 4,815.7         | 18.00         | 3,415.3         | 20.00                                                | 4,005.3         | 20.00                                                    | 5,250.8         |
| Science, Innovation and Business<br>Development          | 19.00         | 17,480.9        | 19.00         | 17,468.6        | 19.00         | 17,730.8        | 20.00                                                | 18,638.6        | 20.00                                                    | 19,348.8        |
| Manitoba Information and Communication<br>Technologies   | 210.72        | 23,795.8        | 210.72        | 24,459.8        | 208.72        | 33,490.5        | 222.70                                               | 28,326.4        | 222.7                                                    | 28,316.0        |
| Mineral Resources                                        | 113.10        | 11,357.1        | 113.10        | 10,734.8        | 107.60        | 11,168.6        | 102.60                                               | 11,845.5        | 102.60                                                   | 12,147.5        |
| Amortization of Capital Assets                           |               | 6,679.3         |               | 6,676.3         |               | 8,134.3         |                                                      | 11,192.7        |                                                          | 12,820.3        |
| <b>TOTAL</b>                                             | <b>370.82</b> | <b>63,392.6</b> | <b>370.82</b> | <b>64,722.2</b> | <b>360.32</b> | <b>74,565.6</b> | <b>372.30</b>                                        | <b>74,690.5</b> | <b>372.30</b>                                            | <b>78,588.3</b> |

# Five Year Expenditure History By Operating Division (\$000s)

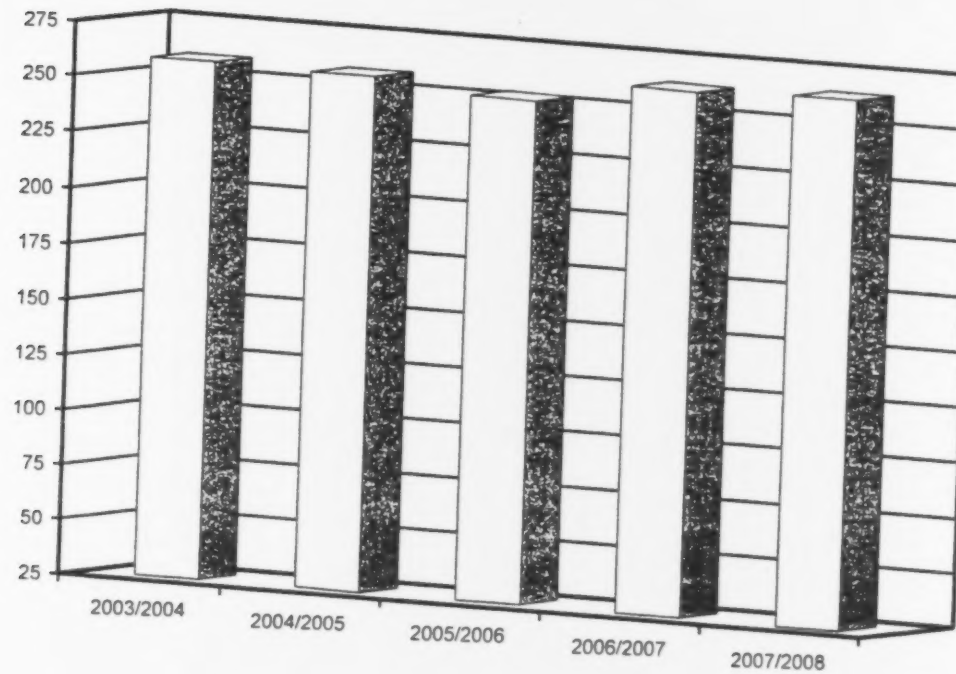


# Five Year Expenditure History By Operating Division (FTEs)



■ Administration and Finance
◆ Energy, Climate Change and Green Strategy
▲ Science, Innovation and Business Development
● Manitoba Information and Communication Technologies

### Five Year Staff History (By FTEs)





**PART 4**  
**CAPITAL INVESTMENT**



| Res.<br>No. | Approp.<br>No. | Science, Technology, Energy and Mines (18)<br>Details of Appropriation | Estimates of<br>Capital<br>Investment<br>2007/2008<br>\$(000's) | Estimates of<br>Capital<br>Investment<br>2006/2007<br>\$(000's) |
|-------------|----------------|------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
|-------------|----------------|------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|

#### CAPITAL INVESTMENT

|             |            |                                       |                |          |
|-------------|------------|---------------------------------------|----------------|----------|
| <b>B.12</b> | <b>18.</b> | Science, Technology, Energy and Mines | <b>9,333.8</b> | 13,189.0 |
|-------------|------------|---------------------------------------|----------------|----------|

Provides for the acquisition, development or enhancement of government's information communication and technology

|    |                                           |                |                 |
|----|-------------------------------------------|----------------|-----------------|
| 1. | Desktop Managed Environment               | 2,000.0        | 4,000.0         |
| 2. | Enterprise System                         | 4,750.0        | 6,675.0         |
| 3. | Other Information Technology Projects     | 287.0          | 514.0           |
| 4. | Corporate Information Technology Projects | <u>2,296.8</u> | <u>2,000.0</u>  |
|    |                                           | <b>9,333.8</b> | <b>13,189.0</b> |

## CAPITAL INVESTMENT

### **SUB-APPROPRIATION B-12A-1, B-12A-2, B12A-3, B-12A-4 ENTERPRISE SYSTEMS AND INFORMATION TECHNOLOGY PROJECTS**

---

#### **OBJECTIVES:**

To provide for the acquisition, development and enhancement of the government's desktop managed environment

#### **ACTIVITY IDENTIFICATION:**

Develop and enhance the government's desktop managed environment, Enterprise System, and Corporate and other Information Technology Projects.

#### **EXPECTED RESULTS:**

Improved desktop managed environment for the government and information and communication technology environment for the government.

---

|                                                    | Estimates of Expenditure<br>2007/2008 |                | Estimates of Expenditure<br>2006/2007 (adjusted) |                 |
|----------------------------------------------------|---------------------------------------|----------------|--------------------------------------------------|-----------------|
|                                                    | FTE                                   | \$(000's)      | FTE                                              | \$(000's)       |
| <b>CAPITAL INVESTMENT</b>                          |                                       |                |                                                  |                 |
| B-12A Desktop Managed Environment                  |                                       | 2,000.0        |                                                  | 4,000.0         |
| B-12B Enterprise System                            |                                       | 4,750.0        |                                                  | 6,675.0         |
| B-12C Other Information Technology<br>Projects     |                                       | 287.0          |                                                  | 514.0           |
| B-12D Corporate Information Technology<br>Projects |                                       | 2,296.8        |                                                  | 2,000.0         |
| <b>TOTAL APPROPRIATIONS</b>                        |                                       | <u>9,333.8</u> |                                                  | <u>13,189.0</u> |

**PART 5**

**SPECIAL OPERATING AGENCIES**

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## MANITOBA EDUCATION, RESEARCH AND LEARNING INFORMATION NETWORKS (MERLIN)

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MERLIN's mission is to support the use of technology in improving educational services to learners.

### CRITICAL SUCCESS FACTORS

- Focus on the K-S4 system
- Focus on provincial services
- Improved access to MERLIN's services for rural and northern schools
- Pro-active planning

### 2007/08 KEY OBJECTIVES

#### Operational

- Aggregate demand across the province for hardware and software to provide better opportunities for all divisions.
- Provide services to rural and northern school divisions at costs similar to urban divisions to increase equity among all divisions.
- Collaboratively develop provincial standards across the K-S4 system for use of information technology that will result in higher reliability and lower costs.
- Provide training to school divisions to assist them in acquiring the skills required to sustain operations and enhance their own technology infrastructures.
- Deliver specific services directly to those divisions where the technical resources are unavailable.

#### Communications/Marketing

- Play a coordinating role in promoting a collaborative approach among school divisions in order to maintain standards and apply economies of scale.
- Continue to regularly meet, consult, discuss, and collaborate with the Department of Education, Citizenship and Youth and school divisions to strengthen ties between curriculum planning and technology supply.
- Continually assess client satisfaction.
- Build on our existing business relationships with suppliers to improve the range of connectivity options available to remote school divisions.

#### Services

- Provincial licensing/purchasing.
- Audio Conferencing (teleconferencing).
- Web Delivery.
- Internet.
- CyberSchools Education Portal
- Information Technology (networking, security and desktop).
- Technical training.
- Provincial technology research and development.
- Distance Education support.
- MERLIN Partner Program (bundle of services).

### **Program Thrusts and Direction**

- Provide products and services in a manner which improves equity across the Province.
- Provide products and services that support self-sufficiency at the school division level.
- Facilitate communication between the Department of Education, Citizenship and Youth and school divisions in the area of learning technologies.
- In consultation with the Department of Education, Citizenship and Youth, provide support and direction in distance learning initiatives with a focus on the technology infrastructures required to deliver distance learning opportunities.
- Support the goals of the Department of Science, Technology, Energy and Mines and the Department of Education, Citizenship and Youth.
- Be pro-active in embracing opportunities and fostering relationships to the advantage of the educational community.

**Manitoba Education, Research and Learning Information Networks (MERLIN)**  
**An Agency of the Special Operating Agencies Financing Authority**  
**Province of Manitoba**  
**Pro Forma Balance Sheet (in thousands)**  
**As at March 31**

| Assets                                   | Actual<br>2006       | Budget<br>2007       | 2007                   | Projections<br>2008  | 2009                 |
|------------------------------------------|----------------------|----------------------|------------------------|----------------------|----------------------|
| Current Assets                           |                      |                      |                        |                      |                      |
| Cash                                     | \$ 573               | \$ 34                | \$ 444                 | \$ -                 | \$ 21                |
| Accounts receivable                      | 119                  | 300                  | 130                    | 130                  | 130                  |
| Prepaid expenses                         | 64                   | 100                  | 252                    | 252                  | 252                  |
|                                          | <u>756</u>           | <u>434</u>           | <u>826</u>             | <u>382</u>           | <u>403</u>           |
| Receivable from Province of Manitoba     | 47                   | 47                   | 47                     | 47                   | 47                   |
| Capital Assets                           | <u>81</u>            | <u>106</u>           | <u>149</u>             | <u>268</u>           | <u>256</u>           |
| <b>Total Assets</b>                      | <b>\$ <u>884</u></b> | <b>\$ <u>587</u></b> | <b>\$ <u>1,022</u></b> | <b>\$ <u>697</u></b> | <b>\$ <u>706</u></b> |
| <b>Liabilities and Deficit</b>           |                      |                      |                        |                      |                      |
| Current Liabilities                      |                      |                      |                        |                      |                      |
| Working capital advance                  | \$ -                 | \$ -                 | \$ -                   | \$ 36                | \$ -                 |
| Accounts payable and accrued liabilities | 251                  | 280                  | 260                    | 260                  | 260                  |
| Unearned revenue                         | 80                   | 75                   | 376                    | 376                  | 376                  |
|                                          | <u>331</u>           | <u>355</u>           | <u>636</u>             | <u>672</u>           | <u>636</u>           |
| CyberSchools                             | 786                  | 446                  | 498                    | -                    | -                    |
| Severance liability                      | <u>82</u>            | <u>89</u>            | <u>91</u>              | <u>100</u>           | <u>109</u>           |
|                                          | 1,199                | 890                  | 1,225                  | 772                  | 745                  |
| Deficit                                  |                      |                      |                        |                      |                      |
| Retained earnings (deficit)              | <u>(315)</u>         | <u>(303)</u>         | <u>(203)</u>           | <u>(75)</u>          | <u>(39)</u>          |
| <b>Total Liabilities and Deficit</b>     | <b>\$ <u>884</u></b> | <b>\$ <u>587</u></b> | <b>\$ <u>1,022</u></b> | <b>\$ <u>697</u></b> | <b>\$ <u>706</u></b> |

Manitoba Education, Research and Learning Information Networks (MERLIN)  
An Agency of the Special Operating Agencies Financing Authority  
Province of Manitoba  
Pro Forma Statement of Income and Deficit (in thousands)  
For the years ending March 31

|        |                                          | Actual   | Budget   | Projections |         |         |         |
|--------|------------------------------------------|----------|----------|-------------|---------|---------|---------|
|        |                                          | 2006     | 2007     | 2007        | 2008    | 2009    | 2010    |
| 2010   | Revenue                                  |          |          |             |         |         |         |
| \$ 50  | Province of Manitoba – STEM funding      | \$ 446   | \$ 446   | \$ 446      | \$ 446  | \$ 446  | \$ 446  |
| 130    | Fee for service                          | 2,037    | 2,115    | 2,283       | 2,636   | 2,686   | 2,686   |
| 252    | Other                                    | 9        | 4        | 12          | -       | 1       | 2       |
| 432    | CyberSchools                             | 131      | 238      | 288         | 498     | -       | -       |
| 47     | Total revenue                            | 2,623    | 2,803    | 3,029       | 3,580   | 3,133   | 3,134   |
| 236    | Expenses                                 |          |          |             |         |         |         |
|        | Advertising and promotion                | 15       | 24       | 30          | 27      | 27      | 28      |
| \$ 715 | Amortization                             | 80       | 57       | 57          | 62      | 82      | 90      |
|        | Audit and legal fees                     | 7        | 10       | 7           | 7       | 7       | 7       |
|        | Bad debts                                | -        | 5        | 3           | 3       | 3       | 3       |
|        | Communication                            | 261      | 237      | 291         | 290     | 294     | 296     |
|        | Conferences                              | -        | 20       | -           | 20      | 20      | 20      |
| \$ -   | Cost of purchases for resale             | 1,126    | 1,218    | 1,157       | 1,359   | 1,359   | 1,359   |
|        | CyberSchools salaries and benefits       | 91       | 95       | 95          | 101     | -       | -       |
| 260    | CyberSchools other expenses              | 40       | 143      | 193         | 397     | -       | -       |
| 376    | Equipment and software                   |          |          |             |         |         |         |
| 636    | maintenance                              | 68       | 67       | 98          | 185     | 184     | 188     |
|        | Interest                                 | -        | -        | -           | 1       | -       | -       |
|        | Occupancy costs                          | 53       | 58       | 55          | 59      | 60      | 61      |
|        | Office and miscellaneous                 | 24       | 26       | 22          | 24      | 24      | 25      |
| 118    | Professional development                 | 6        | 15       | 14          | 15      | 15      | 15      |
| 754    | Purchased services                       | 2        | 5        | 2           | 5       | 5       | 5       |
|        | Salaries and subcontract                 | 781      | 772      | 875         | 874     | 994     | 1,013   |
| (39)   | Travel                                   | 27       | 27       | 18          | 23      | 23      | 24      |
| \$ 715 | Total expenses                           | 2,581    | 2,779    | 2,917       | 3,452   | 3,097   | 3,134   |
|        | Net income (loss) for the year           | 42       | 24       | 112         | 128     | 36      | -       |
|        | Surplus (deficit) at beginning of period | (357)    | (327)    | (315)       | (203)   | (75)    | (39)    |
|        | Surplus (deficit) at end of period       | \$ (315) | \$ (303) | (203)       | \$ (75) | \$ (39) | \$ (39) |

**Manitoba Education, Research and Learning Information Networks (MERLIN)**  
**An Agency of the Special Operating Agencies Financing Authority**  
**Province of Manitoba**  
**Pro Forma Statement of Cash Flows (in thousands)**  
**For the years ending March 31**

|                                        | Actual<br>2006 | Budget<br>2007 | 2007   | Projections<br>2008 | 2009  | 2010  |
|----------------------------------------|----------------|----------------|--------|---------------------|-------|-------|
| <b>Cash Derived From (Applied To)</b>  |                |                |        |                     |       |       |
| <b>Operating</b>                       |                |                |        |                     |       |       |
| Net Income (loss)                      | \$ 42          | \$ 24          | \$ 112 | \$ 128              | \$ 36 | \$ -  |
| Amortization                           | 80             | 57             | 57     | 62                  | 82    | 90    |
|                                        | 122            | 81             | 169    | 190                 | 118   | 90    |
| <b>Change in:</b>                      |                |                |        |                     |       |       |
| Accounts receivable                    | 170            | -              | (11)   | -                   | -     | -     |
| Prepaid expenses                       | 35             | -              | (188)  | -                   | -     | -     |
| Accounts payable                       | (23)           | -              | 9      | -                   | -     | -     |
| Unearned revenue                       | 5              | -              | 296    | -                   | -     | -     |
| Trust liability                        | -              | -              | -      | -                   | -     | -     |
|                                        | 309            | 81             | 275    | 190                 | 118   | 90    |
| <b>Investing</b>                       |                |                |        |                     |       |       |
| Capital assets                         | (15)           | (60)           | (125)  | (181)               | (70)  | (70)  |
| <b>Financing</b>                       |                |                |        |                     |       |       |
| CyberSchools                           | (131)          | (238)          | (288)  | (498)               | -     | -     |
| Severance liability                    | 9              | 8              | 9      | 9                   | 9     | 9     |
|                                        | (122)          | (230)          | (279)  | (489)               | 9     | 9     |
| <b>Net increase (decrease) in cash</b> | 172            | (209)          | (129)  | (480)               | 57    | 29    |
| <b>Cash - beginning of year</b>        | 401            | 243            | 573    | 444                 | (36)  | 21    |
| <b>Cash - end of year</b>              | \$ 573         | \$ 34          | \$ 444 | \$ (36)             | \$ 21 | \$ 50 |

**Manitoba Education Research and Learning Information Networks (MERLIN)**  
**An Agency of the Special Operating Agencies Financing Authority**  
**Province of Manitoba**  
**Notes to the Financial Statements**  
**For the Years Ended March 31**  
**(in thousands)**

**1. NATURE OF ORGANIZATION**

Effective April 1, 1995, Manitoba Education, Research and Learning Information Networks (MERLIN) was designated as a Special Operating Agency pursuant to The Special Operating Agencies Financing Authority Act, Cap S185, C.C.S.M. and operates under a charter approved by the Lieutenant Governor in Council. The Agency currently operates as part of Science, Technology, Energy and Mines under the general direction of the Deputy Minister.

The Agency is financed through the Special Operating Agencies Financing Authority (SOAFA). SOAFA has the mandate to hold and acquire assets required for and resulting from Agency operations. It finances the Agency through repayable loans and working capital advances. This financial framework enables the Agency to operate in a business like manner according to public policy expectations.

A Management Agreement between SOAFA and the Minister Science, Technology, Energy and Mines assigns responsibility to the Agency to manage and account for the Agency related assets and operations on behalf of SOAFA.

The Agency remains bound by relevant legislation and regulations. It is also bound by administrative policy except where specific exemptions have been provided in its charter in order to meet business objectives.

The Agency is economically dependent on the Province of Manitoba as it derives some of its revenue and all of its financing requirements from the Province.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of reporting**

The financial statements of the Agency are presented in accordance with Canadian generally accepted accounting principles.

**Capital assets**

Capital assets are recorded at cost and are amortized annually on a straight-line basis as follows:

|                         |     |
|-------------------------|-----|
| Computer hardware       | 20% |
| Computer software       | 20% |
| Equipment and furniture | 20% |
| Leaseholds and signage  | 20% |

In the period of acquisition, amortization is calculated at one-half the rate indicated.

**Manitoba Education Research and Learning Information Networks (MERLIN)**  
**An Agency of the Special Operating Agencies Financing Authority**  
**Province of Manitoba**  
**Notes to the Financial Statements**  
**For the Years Ended March 31**  
**(in thousands)**

**3. RECEIVABLE FROM THE PROVINCE OF MANITOBA**

The receivable from the Province of Manitoba is for vacation entitlements earned by the employees of the Agency prior to designation as a Special Operating Agency and for severance pay benefits prior to March 31, 1998. This receivable, or portion thereof, for the Agency will be collected in the event there is a cash shortfall. However, this is only likely to happen on the dissolution of the Agency. The balance consists of:

|                        |    |       |
|------------------------|----|-------|
| Vacation entitlements  | \$ | 19    |
| Severance pay benefits |    | 28    |
|                        |    | <hr/> |
|                        | \$ | 47    |
|                        |    | <hr/> |

**4. CAPITAL ASSETS**

| Net Book Value (\$000s) | Actual   | Budget    | Projected |           |           |           |
|-------------------------|----------|-----------|-----------|-----------|-----------|-----------|
|                         | 2006     | 2007      | 2007      | 2008      | 2009      | 2010      |
| Computer hardware       | 69       | 94        | 118       | 245       | 240       | 228       |
| Equipment and furniture | 12       | 12        | 12        | 8         | 5         | 2         |
| Leaseholds and signage  |          |           | 19        | 15        | 11        | 6         |
|                         | <hr/> 81 | <hr/> 106 | <hr/> 149 | <hr/> 268 | <hr/> 256 | <hr/> 236 |

**5. WORKING CAPITAL ADVANCES**

These advances are provided to the Agency through the Special Operating Agencies Financing Authority pursuant to the Management Agreement. The Agency has an authorized line of working capital advances of \$2.0 million.

**6. CYBERSCHOOLS**

MERLIN has entered into an agreement with Community Connections to develop, implement and operate a province-wide communication gateway/portal to support K-12 education. The service will include access to secure email, calendars, and file storage.

Receipts and disbursements are as follows:

|                        | Actual      | Budget      | Projections |           |           |           |
|------------------------|-------------|-------------|-------------|-----------|-----------|-----------|
|                        | 2006        | 2007        | 2007        | 2008      | 2009      | 2010      |
| Deferred balance – BOY | \$917       | \$684       | \$786       | \$498     | \$0       | \$0       |
| Receipts               |             |             |             |           |           |           |
| Disbursements          | (131)       | (238)       | (288)       | (498)     |           |           |
| Deferred balance – EOY | <hr/> \$786 | <hr/> \$446 | <hr/> \$498 | <hr/> \$0 | <hr/> \$0 | <hr/> \$0 |

**Manitoba Education Research and Learning Information Networks (MERLIN)**  
**An Agency of the Special Operating Agencies Financing Authority**  
**Province of Manitoba**  
**Notes to the Financial Statements**  
**For the Years Ended March 31**  
**(in thousands)**

**7. SEVERANCE PAY LIABILITY**

Effective April 1, 1998, the Agency began recording accumulated severance pay benefits for its employees. The estimate of the liability at that time was based on an actuarial valuation report.

The Province has accepted responsibility for the severance benefits accumulated by the Agency's employees to March 31, 1998. Accordingly, the opening severance pay liability balance as at April 1, 1998 calculated at \$28 was completely offset by a receivable from the Province.

The Agency's liability has been calculated in accordance with the formula provided in the most recent actuarial valuation report.

**8. EMPLOYEE PENSION BENEFITS**

Employees of the Agency are eligible for pension benefits in accordance with the provisions of The Civil Service Superannuation Act administered by the Civil Service Superannuation Board (CSSB).

Effective March 31, 2001, pursuant to an agreement with the Province of Manitoba, the Agency transferred to the Province the pension liability for its employees, subject to the following conditions.

During the 2002 fiscal year, in accordance with the terms of the agreement, the Agency transferred to the Province funds equal to the net assets required to discharge its pension obligation as at March 31, 2001. Commencing April 1, 2001, the Agency is also required to pay to the Province an amount equal to its employees' current pension contributions.

Hence, the Agency has discharged its pension obligations and has no outstanding liability.

**9. REVENUE - MANITOBA EDUCATION, CITIZENSHIP AND YOUTH**

The Agency is responsible for the delivery of distance education and technology programs formerly provided through Manitoba Education, Citizenship and Youth. The Agency receives a fee from the Department, established annually and paid quarterly, in exchange for delivery of these services.

**10. COMMITMENTS**

The Agency has entered into a lease for the period from October 1, 2006 to January 31, 2009. The anticipated future minimum payments for base rent under this lease are:

|      |       |
|------|-------|
| 2008 | \$ 36 |
| 2009 | 30    |

In addition, MERLIN will be responsible for their proportionate share of property taxes and common costs.

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# THE INDUSTRIAL TECHNOLOGY CENTRE

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## BACKGROUND

The Industrial Technology Centre (ITC) was established in 1979 and commenced operations as a Special Operating Agency (SOA) on April 1, 1996. ITC was initially managed by the Manitoba Research Council (1979 to 1991), and then became the responsibility of the Economic Innovation and Technology Council (EITC, 1992 to 1996). In FY 96/97, ITC became an SOA of the Province of Manitoba and now operates under Manitoba Science, Technology, Energy and Mines (STEM).

## VISION

To be recognized as the best resource for solving technical issues for the benefit of Manitoba.

## RESPONSIBILITY

ITC provides a wide range of technical services in support of technology-based economic development out of 24,118 square feet of leased premises. ITC customers primarily include Manitoba companies from various industrial sectors, as well as government agencies. ITC services are provided on a fee for service basis and under the Economic Development Contribution Agreement (the EDCA is a performance contract with STEM that supports ITC for its contribution to economic development activities in Manitoba). Some fee for service revenues are derived from contracts outside Manitoba and Canada. ITC relocated to Smartpark effective November 1, 2005 to help establish a manufacturing / materials cluster and focal point for the Province's Advanced Manufacturing Initiative (AMI). The goal of the AMI is to help Manitoba manufacturers improve their productivity. Included in the leased premises are 5,086 square feet subleased to the Composites Innovation Centre (CIC).

ITC's services are categorized as:

- Technical Information and Advisory Services
- Engineering
- Lottery Ticket Testing (LTT)
- Virtual Reality Centre (VRC)

The breadth of staff expertise makes ITC a unique technical facility. ITC offers a wide range of technical services that complement each other (we provide a "one-stop shop"). By virtue of service lines that are not mutually exclusive, ITC engineers and technicians regularly collaborate on projects to provide customers with the best possible service and technical solutions. ITC's core staff complement for FY 2007/2008 is 22.

## PERFORMANCE MEASUREMENT

ITC has always played a role in fostering economic growth in Manitoba by virtue of the services it provides to its customers. A diverse range of in-house expertise enables ITC to assist Manitoba individuals and companies in many capacities, from converting a concept to a marketable product or service to establishing infrastructure that contributes to their growth.

The Economic Development Contribution Agreement (EDCA/performance contract) between ITC and Manitoba Science, Technology, Energy and Mines provides the framework and opportunity for ITC to measure and report upon the results and public policy benefits of its services. Under the terms of this agreement, STEM supports ITC for its economic development activities.

ITC's technical and advisory services are expected to generate the following public policy benefits:

- Increased awareness, availability and utilization of new technologies to help companies remain competitive.
- Provision of testing services to assist companies with international standards compliance.
- Provision of access to high quality technical services otherwise not readily available to Manitoba companies.

ITC engaged an external research organization to conduct independent client surveys to capture economic impacts during FY 2006/07. The results of these surveys are summarized as follows:

| Category                                                                                                                                                                                    | Impact of ITC Services                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| New Jobs Created                                                                                                                                                                            | 23                                                                                |
| Jobs Saved/Maintained                                                                                                                                                                       | 2,162                                                                             |
| <i>The total of 2,185 jobs created or saved represents \$84.0 million in wages based on an average annual manufacturing salary of \$38,446 (March 2006, Manitoba Bureau of Statistics).</i> |                                                                                   |
| Sales Increase                                                                                                                                                                              | \$2.8 million                                                                     |
| Cost Savings Identified                                                                                                                                                                     | \$1.3 million                                                                     |
| Investment Increases                                                                                                                                                                        | \$10.6 million                                                                    |
| Influence on client objectives                                                                                                                                                              | 91% of respondents reported that ITC had a positive impact on their organization. |

These results are compiled from the responses of 70 individuals representing a sample of ITC clients. No attempt has been made to extrapolate the impacts for ITC's entire project client base (approximately 300 clients).

These impacts are summarized from respondents where they were able to quantify the impact of ITC services. The remaining respondents were unable to quantify these impacts and preferred to provide either a percentage increase or an anecdotal response (these responses are not included in the above table).

The total economic impacts of ITC operations are expected to be higher than those summarized here because of the respondents' difficulty in quantifying these impacts. Furthermore, only a sample of ITC clients was surveyed.

Since inception as an SOA (FY 1996/97), the following outcomes have been reported by clients:

| Total Impacts         |                 |
|-----------------------|-----------------|
| Jobs created or saved | 6,533           |
| Increased sales       | \$71.7 million  |
| Increased investment  | \$102.1 million |
| Cost savings          | \$30.8 million  |

These results indicate that the Province's funding support of ITC has leveraged significant economic development impacts for Manitoba.

ITC captures these economic development impacts each year as part of the EDCA with STEM. These results are reported in ITC's annual report, and summarized in SOAFA's annual report.

All ITC's services are optional and are primarily used by private companies who cannot readily obtain them in Manitoba. ITC clients choose to use and pay for our services, and report a very high level of satisfaction and significant impacts at their organizations.

**INDUSTRIAL TECHNOLOGY CENTRE**

An Agency of the  
Special Operating Agencies Financing Authority  
Province of Manitoba

**Projected Balance Sheet****As at March 31**

(In Thousands)

|                                                    | Actual<br>2006  | Budget<br>2007 | Projection    |                 |                 |                 |
|----------------------------------------------------|-----------------|----------------|---------------|-----------------|-----------------|-----------------|
|                                                    |                 |                | 2007          | 2008            | 2009            | 2010            |
| <b>Assets</b>                                      |                 |                |               |                 |                 |                 |
| Current                                            |                 |                |               |                 |                 |                 |
| Cash and funds on deposit with Minister of Finance | \$ -            | \$ (1)         | \$ 4          | \$ (4)          | \$ 9            | \$ 24           |
| Accounts receivable                                | 198             | 250            | 190           | 205             | 230             | 260             |
| Prepaid expenses                                   | 41              | 18             | 41            | 41              | 41              | 41              |
|                                                    | 239             | 267            | 235           | 242             | 280             | 325             |
| Due from Province of Manitoba (Note 4)             | 103             | 103            | 103           | 103             | 103             | 103             |
| Capital assets (Notes 2 and 5)                     | 737             | 492            | 659           | 674             | 664             | 642             |
|                                                    | <u>\$ 1,079</u> | <u>\$ 862</u>  | <u>\$ 997</u> | <u>\$ 1,019</u> | <u>\$ 1,047</u> | <u>\$ 1,070</u> |
| <b>Liabilities</b>                                 |                 |                |               |                 |                 |                 |
| Current                                            |                 |                |               |                 |                 |                 |
| Accounts payable and accrued liabilities           | \$ 255          | \$ 290         | \$ 275        | \$ 275          | \$ 275          | \$ 275          |
| Severance liability (Note 6)                       | 198             | 226            | 220           | 242             | 264             | 286             |
|                                                    | 453             | 516            | 495           | 517             | 539             | 561             |
| <b>Equity</b>                                      |                 |                |               |                 |                 |                 |
| Contributed Equity (Note 7)                        | 62              | 62             | 62            | 62              | 62              | 62              |
| Retained Earnings                                  | 564             | 284            | 440           | 440             | 446             | 447             |
|                                                    | 626             | 346            | 502           | 502             | 508             | 509             |
|                                                    | <u>\$ 1,079</u> | <u>\$ 862</u>  | <u>\$ 997</u> | <u>\$ 1,019</u> | <u>\$ 1,047</u> | <u>\$ 1,070</u> |

**INDUSTRIAL TECHNOLOGY CENTRE**

An Agency of the  
Special Operating Agencies Financing Authority  
Province of Manitoba

**Projected Statement of Earnings and Retained Earnings  
For the Years Ending March 31**

| (In Thousands)                            | Actual<br>2006 | Budget<br>2007 | Projection    |               |               |               |
|-------------------------------------------|----------------|----------------|---------------|---------------|---------------|---------------|
|                                           |                |                | 2007          | 2008          | 2009          | 2010          |
| <b>Revenue</b>                            |                |                |               |               |               |               |
| Province of Manitoba                      | \$ 600         | \$ 750         | \$ 750        | \$ 750        | \$ 750        | \$ 750        |
| Fee for service                           | 1,486          | 1,490          | 1,476         | 1,545         | 1,615         | 1,680         |
| Other research and development services   | -              | -              | -             | 100           | 150           | 150           |
| Other                                     | 105            | 100            | 145           | 119           | 122           | 123           |
|                                           | <u>2,191</u>   | <u>2,340</u>   | <u>2,371</u>  | <u>2,514</u>  | <u>2,637</u>  | <u>2,703</u>  |
| <b>Operating expenses</b>                 |                |                |               |               |               |               |
| Advertising and promotion                 | 56             | 60             | 66            | 60            | 61            | 62            |
| Amortization                              | 152            | 150            | 169           | 145           | 160           | 172           |
| Audit and legal                           | 5              | 8              | 6             | 7             | 7             | 7             |
| Bad debts                                 | 4              | 7              | 7             | 7             | 8             | 8             |
| Building maintenance                      | 55             | 36             | 37            | 36            | 37            | 38            |
| Computer                                  | 45             | 31             | 39            | 37            | 38            | 38            |
| Equipment                                 | 31             | 47             | 52            | 57            | 57            | 59            |
| Fees and memberships                      | 22             | 33             | 31            | 26            | 30            | 28            |
| Insurance                                 | 48             | 50             | 42            | 44            | 45            | 46            |
| Library operations                        | 45             | 27             | 27            | 23            | 23            | 24            |
| Loss on disposal                          | 14             | -              | -             | -             | -             | -             |
| Office                                    | 59             | 49             | 48            | 48            | 49            | 49            |
| Professional development                  | 22             | 25             | 31            | 25            | 26            | 26            |
| Project supplies and subcontract          | 65             | 55             | 45            | 50            | 55            | 55            |
| Purchased services                        | 4              | 10             | 4             | 5             | 5             | 5             |
| Rent and property tax                     | 186            | 268            | 340           | 330           | 342           | 349           |
| Salaries and benefits                     | 1,481          | 1,465          | 1,474         | 1,536         | 1,608         | 1,655         |
| Travel                                    | 20             | 29             | 24            | 24            | 25            | 25            |
| Utilities                                 | 37             | 33             | 53            | 54            | 55            | 56            |
|                                           | <u>2,351</u>   | <u>2,383</u>   | <u>2,495</u>  | <u>2,514</u>  | <u>2,631</u>  | <u>2,702</u>  |
| Net earnings (loss) before other item     | (160)          | (43)           | (124)         | -             | 6             | 1             |
| <b>Other</b>                              |                |                |               |               |               |               |
| Relocation to SmartPark                   | 123            | -              | -             | -             | -             | -             |
| <b>Net earnings (loss)</b>                | (283)          | (43)           | (124)         | -             | 6             | 1             |
| Retained earnings at beginning of period  | 847            | 327            | 564           | 440           | 440           | 446           |
| <b>Retained earnings at end of period</b> | <u>\$ 564</u>  | <u>\$ 284</u>  | <u>\$ 440</u> | <u>\$ 440</u> | <u>\$ 446</u> | <u>\$ 447</u> |

**INDUSTRIAL TECHNOLOGY CENTRE**

An Agency of the  
Special Operating Agencies Financing Authority  
Province of Manitoba

**Projected Statement of Changes in Cash Resources****For the Years Ending March 31**

(In Thousands)

Actual  
2006Budget  
2007

Projection

2007

2008

2009

2010

Cash derived from (applied to):

**Operating activities**

|                          |              |            |           |            |            |            |
|--------------------------|--------------|------------|-----------|------------|------------|------------|
| Net earnings (loss)      | \$ (283)     | \$ (43)    | \$ (124)  | \$ -       | \$ 6       | \$ 1       |
| Items not involving cash |              |            |           |            |            |            |
| Amortization             | 152          | 150        | 169       | 145        | 160        | 172        |
| Loss on disposal         | 14           | -          | -         | -          | -          | -          |
|                          | <u>(117)</u> | <u>107</u> | <u>45</u> | <u>145</u> | <u>166</u> | <u>173</u> |

Changes in non-cash working capital  
balances

|                     |              |            |           |            |            |            |
|---------------------|--------------|------------|-----------|------------|------------|------------|
| Accounts receivable | 50           | -          | 8         | (15)       | (25)       | (30)       |
| Prepaid expenses    | (23)         | -          | -         | -          | -          | -          |
| Accounts payable    | (109)        | -          | 20        | -          | -          | -          |
| Severance liability | 6            | 22         | 22        | 22         | 22         | 22         |
|                     | <u>(193)</u> | <u>129</u> | <u>95</u> | <u>152</u> | <u>163</u> | <u>165</u> |

**Investing activities**

|                               |       |       |      |       |       |       |
|-------------------------------|-------|-------|------|-------|-------|-------|
| Acquisition of capital assets | (422) | (125) | (91) | (160) | (150) | (150) |
|-------------------------------|-------|-------|------|-------|-------|-------|

**Financing activities**

|  |          |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|----------|
|  | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
|--|----------|----------|----------|----------|----------|----------|

|                                 |       |   |   |     |    |    |
|---------------------------------|-------|---|---|-----|----|----|
| Net increase (decrease) in cash | (615) | 4 | 4 | (8) | 13 | 15 |
|---------------------------------|-------|---|---|-----|----|----|

|                             |            |            |          |          |            |          |
|-----------------------------|------------|------------|----------|----------|------------|----------|
| Cash at beginning of period | <u>615</u> | <u>(5)</u> | <u>-</u> | <u>4</u> | <u>(4)</u> | <u>9</u> |
|-----------------------------|------------|------------|----------|----------|------------|----------|

|                       |             |               |             |               |             |              |
|-----------------------|-------------|---------------|-------------|---------------|-------------|--------------|
| Cash at end of period | <u>\$ -</u> | <u>\$ (1)</u> | <u>\$ 4</u> | <u>\$ (4)</u> | <u>\$ 9</u> | <u>\$ 24</u> |
|-----------------------|-------------|---------------|-------------|---------------|-------------|--------------|

**Represented by**Cash and funds on deposit with Minister  
of Finance

|  |             |               |             |               |             |              |
|--|-------------|---------------|-------------|---------------|-------------|--------------|
|  | <u>\$ -</u> | <u>\$ (1)</u> | <u>\$ 4</u> | <u>\$ (4)</u> | <u>\$ 9</u> | <u>\$ 24</u> |
|--|-------------|---------------|-------------|---------------|-------------|--------------|

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**INDUSTRIAL TECHNOLOGY CENTRE**

**An Agency of the  
Special Operating Agencies Financing Authority  
Province of Manitoba**

**Notes to the Financial Statements**

For the years ending March 31  
(In Thousands)

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**4. Nature of Organization**

The Industrial Technology Centre (ITC) was established in 1979 under "Enterprise Manitoba", a joint Federal/Provincial cost-shared funding agreement. ITC was managed by the Manitoba Research Council until September 1992 when responsibility for ITC was transferred to the Economic Innovation & Technology Council (EITC). ITC was created as a technical resource for Manitoba industry and government and continues to provide a wide range of technical services to both the private and public sectors.

Effective April 1, 1996, ITC was designated as a Special Operating Agency under The Special Operating Agencies Financing Authority Act, Cap. S185, C.C.S.M., and operates under a charter approved by the Lieutenant Governor in Council. ITC operates as part of Manitoba Science, Technology, Energy and Mines under the general direction of the Deputy Minister.

ITC is financed through the Special Operating Agencies Financing Authority (SOAFA). SOAFA has the mandate to hold and acquire assets required for and resulting from Agency operations and has access to a working capital loan. The financial framework allows the Agency to operate in a business-like manner, which is facilitated by SOA status.

A Management Agreement between SOAFA and the Minister of Science, Technology, Energy and Mines assigns responsibility to the Agency to manage and account for the Agency-related assets and operations on behalf of SOAFA.

An Economic Development Contribution Agreement between ITC and Manitoba Science, Technology, Energy and Mines defines expected public policy benefits generated from ITC's operations.

ITC has full delegated authority for all administrative, financial and operational matters. This delegation is subject to any limitations, restrictions, conditions and requirements imposed by legislation or by the Minister.

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**INDUSTRIAL TECHNOLOGY CENTRE**

**An Agency of the  
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**Notes to the Financial Statements**

For the years ending March 31

(In Thousands)

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**5. Significant Accounting Policies****Basis of reporting**

The financial statements are prepared in accordance with Canadian generally accepted accounting principles.

**Capital assets**

Capital assets are recorded at cost. Amortization, intended to write off the assets over their estimated useful lives, is recorded at the following annual rates and methods:

|                                 |                        |
|---------------------------------|------------------------|
| Furniture and fixtures          | 20%, declining balance |
| Office and laboratory equipment | 20%, declining balance |
| Computer equipment and software | 20%, straight-line     |
| Leasehold improvements          | 10%, straight-line     |

**Financial instruments**

The Agency's financial instruments consist of cash and funds on deposit, accounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Agency is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

**Revenue recognition**

Province of Manitoba funding is recognized over the term for which it applies. Fees for service are recognized as the service is performed.

**Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

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**INDUSTRIAL TECHNOLOGY CENTRE**

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For the years ending March 31

(In Thousands)

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**6. Working Capital Advance**

The Agency has an authorized line of working capital advances up to a maximum of \$300.

**7. Due from Province of Manitoba**

The Province has accepted responsibility for the severance benefits accumulated by ITC's employees to March 31, 1998. Accordingly, the opening severance pay liability balance as at April 1, 1998 calculated at \$103 was completely offset by a receivable from the Province. The receivable from the Province, or portion thereof, for the Industrial Technology Centre, will be collected in the event there is a cash shortfall. However, this is only likely to happen on the dissolution of the Industrial Technology Centre.

**8. Capital Assets**

|                                 | Actual       | Budget       | Projection   |              |              |              |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                 | 2006         | 2007         | 2007         | 2008         | 2009         | 2010         |
| Furniture and fixtures          | \$ 7         | \$ 1         | \$ 6         | \$ 5         | \$ 4         | \$ 3         |
| Equipment                       | 351          | 287          | 323          | 394          | 415          | 431          |
| Computer equipment and software | 199          | 204          | 169          | 132          | 121          | 102          |
| Leasehold improvements          | 180          | -            | 161          | 143          | 124          | 106          |
|                                 | <b>\$737</b> | <b>\$492</b> | <b>\$659</b> | <b>\$674</b> | <b>\$664</b> | <b>\$642</b> |

**9. Severance Pay Benefits**

Effective April 1, 1998, the Agency began recording accumulated severance pay benefits for its employees. The amount of severance pay obligations is based on actuarial calculations. The periodic actuarial valuations of these liabilities may determine that adjustments are needed to the actuarial calculations when actual experience is different from that expected and/or because of changes in actuarial assumptions used. The resulting actuarial gains or losses are amortized over the expected average remaining service life of the related employee group.

An actuarial report was completed for the severance pay liability as of March 31, 2005. The report provides a formula to update the liability on an annual basis. Commencing in the 2006 fiscal year the actuarial gain of \$76 is being amortized over the 15 year expected average remaining service life of the employee group.

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**INDUSTRIAL TECHNOLOGY CENTRE**

**An Agency of the  
Special Operating Agencies Financing Authority  
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**Notes to the Financial Statements**

For the years ending March 31

(In Thousands)

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**10. Contributed Equity**

A Transfer Agreement between the Special Operating Agencies Financing Authority (SOAFA) and Manitoba effected a transfer of capital assets, current assets and current liabilities from Manitoba to SOAFA as at March 31, 1996. Net assets in the amount of \$124 were transferred to continue the operations of ITC. ITC has repaid SOAFA the debt portion of \$62 (50% of the value of the net assets) and recorded the remaining \$62 (50% of the value of the net assets) as Manitoba's equity in SOAFA as related to the Agency's operations.

**11. Commitment**

The Agency relocated to Smartpark, near the University of Manitoba, on November 1, 2005.

The Agency has entered into a lease agreement for the rental of a new building at Smartpark, with space of 24,118 square feet. Of this space, ITC occupies 19,032 square feet, with 5,086 square feet being sublet to the Composites Innovation Centre (CIC). Occupancy costs pertaining to the CIC are recoverable from them. This ten-year lease requires lease payments as follows:

|             | ITC    | CIC   | Total  |
|-------------|--------|-------|--------|
| Year 1      | \$ 161 | \$ 43 | \$ 204 |
| Year 2      | 170    | 46    | 216    |
| Year 3      | 180    | 48    | 228    |
| Year 4 - 10 | 189    | 51    | 240    |

**12. Pension Benefits**

In accordance with the provisions of the Civil Service Superannuation Act, employees of the Centre are eligible for pension benefits under the Civil Service Superannuation Fund. This pension plan is a defined benefit plan, which requires the Centre to contribute an amount equal to the employee's contribution to the Fund for current services.

The Centre has no further liability associated with the annual cost of pension benefits earned by the Centre's employees.

**13. Related Party Transactions**

The Agency is related in terms of common ownership to all Province of Manitoba created departments, agencies and Crown corporations. The Agency enters into transactions with these entities in the normal course of business.

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## GREEN MANITOBA ECO SOLUTIONS

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### OBJECTIVES:

To implement a proactive and integrated community-based model of program and service delivery focused on advancing Manitoba's strategic priorities in environmental protection and sustainable resource management. Core objectives include:

- reducing solid waste generation while encouraging materials efficiency;
- preserving adequate, reliable and sustainable supplies of freshwater; and
- decreasing energy consumption and abating climate change impacts.

### ACTIVITY IDENTIFICATION

- Identify and promote sustainable growth opportunities that link environmental protection and community economic growth.
- Coordinate energy-, water-, and waste-related program development and implementation across a range of partner organizations.
- Broker mutually beneficial relationship building among stakeholder entities to support effective program delivery.
- Ensure development of an information base that facilitates program prioritization and enables performance measurement and assessment.
- Develop and implement outreach and education programs that increase environmental awareness and help citizens, businesses and organizations adhere to sustainable development principles and practices.
- Provide advice and expertise to support government policy and regulation development.
- Serve as government's "front door" for convenient public access to information and programming relating to all aspects of sustainable development.

### EXPECTED RESULTS:

- Implementation of a product stewardship / extended producer responsibility (EPR) waste management model across four material waste streams: tires, packaging and printed paper, household hazardous waste, and waste electronics.

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## GREEN MANITOBA ECO SOLUTIONS

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- Implementation of community-based water conservation approaches.(e.g. Minnedosa Water Conservation Initiative)
- Implementation of energy conservation initiatives (eg. "Cool Shops" program).
- Development and implementation of performance assessment capability featuring data capture processes and program measurement indicators at a community level.
- Implementation of outreach and education programs to support informed decision making regarding sustainable practices.

### FINANCIAL INFORMATION:

#### Statement of Income and Retained Earnings \$(000s)

|                                  | Notes | 2006/07<br>Business<br>Plan | 2006/07<br>Prelim.<br>Actuals | Projected<br>2007/08 | Projected<br>2008/09 | Projected<br>2009/10 |
|----------------------------------|-------|-----------------------------|-------------------------------|----------------------|----------------------|----------------------|
| <b>Revenues:</b>                 |       |                             |                               |                      |                      |                      |
| EST Service Grant                | 1     | 485.4                       | 485.4                         | 1,045.9              | 1,045.9              | 1045.9               |
| Program Management<br>Earnings   | 2     | 50.0                        | 65.6                          | 50.0                 | 100.0                | 150.0                |
| Program Grants:                  | 3     |                             |                               |                      |                      |                      |
| HHW Program (Miller<br>Contract) | 4     | 674.8                       | 674.8                         | 674.8                | 768.0                | 768.0                |
| School Waste Program             | 5     |                             |                               | 25.0                 | 25.0                 | 25.0                 |
| Waste Reduction PEO              | 6     |                             |                               | 25.0                 | 25.0                 | 25.0                 |
| Green Buildings Unit             | 7     |                             |                               | 121.9                | 121.9                | 121.9                |
| Independent Schools<br>Recycling | 8     |                             |                               | 75.0                 | 75.0                 | 75.0                 |
| Post Secondary<br>(COPSE)        | 9     |                             |                               | 160.0                | 146.4                | 146.4                |
| <b>Total Revenues</b>            |       | <b>1,210.2</b>              | <b>1,569.4</b>                | <b>2,177.6</b>       | <b>2,307.2</b>       | <b>2,357.2</b>       |

## GREEN MANITOBA ECO SOLUTIONS

|                               |    |                |               |                |                |                |
|-------------------------------|----|----------------|---------------|----------------|----------------|----------------|
| <b>Expenses:</b>              |    |                |               |                |                |                |
| Salaries & Benefits           | 10 | 555.3          | 459.8         | 736.1          | 757.4          | 757.4          |
| Operating Expenses            |    | 540.8          | 296.9         | 620.0          | 620.0          | 620.0          |
| Program Grants:               |    |                |               |                |                |                |
| HHW Program (Miller Contract) |    | 674.8          | 645.2         | 607.3          | 698.3          | 698.3          |
| School Waste Program          |    |                | 18.9          | 22.5           | 22.5           | 22.5           |
| Waste Reduction PEO           |    |                | 21.7          | 22.5           | 22.5           | 22.5           |
| Independent Schools Recycling |    |                | 38.8          | 67.5           | 67.5           | 67.5           |
| Post Secondary Schools        |    |                | 146.4         | 144.0          | 160.0          | 160.0          |
| Amortization                  |    |                |               | 1.8            | 1.4            | 1.2            |
| <b>Total Expenses</b>         |    | <b>1,770.7</b> | <b>1627.7</b> | <b>2,221.7</b> | <b>2,349.6</b> | <b>2,349.6</b> |
| <b>Net Income (Loss)</b>      |    | <b>(560.5)</b> | <b>(58.3)</b> | <b>(44.1)</b>  | <b>(42.4)</b>  | <b>7.8</b>     |
| Retained Earnings             |    | 0              | 0             | 0              | 0              | 0              |
| <b>End of Year</b>            |    | <b>(560.5)</b> | <b>(58.3)</b> | <b>(44.1)</b>  | <b>(42.4)</b>  | <b>7.8</b>     |

### Notes/Assumptions:

1. Projected Revenue reflects an increase in Service Grant from Manitoba, Science, Technology, Energy and Mines of \$560.5.
2. Earnings are primarily management fees derived from Industry Funded Organizations once established. 2006/07 amount includes other service billings.

3. General Note: As approved by Treasury Board, grants administered by Green Manitoba are subject to a maximum 10% management fee to support Agency programming.
4. 2007/08 projection reflects Treasury Board direction to maintain previous funding level for 2007/08 operating year.
5. WRAPP Fund.
6. WRAPP Fund.
7. Consistent with previous approval by Treasury Board (T.B. 15A/2006-18A), SDIF funding is available pending submission of formal request by Green Manitoba.
8. WRAPP Fund – Anticipates increased school participation beyond level achieved in 2006/07.
9. Funding allocation for Post Secondary Education Institutions from COPSE. Per Treasury Board direction, no administration fee will be levied for 2007/08, but fee is forecast for subsequent years as additional value-added services are defined.
10. Salary and benefits are increased by 2.5%, 2.55% and 2.9% to reflect general salary increase.



**PART 6**  
**GLOSSARY**

**Cost Element**

A cost element is a classification of expenditures according to the nature of expense such as salaries, supplies and services, etc., which identifies the object of expenditure out of appropriation funds. The government accounting system tracks expenditures according to the following cost element groups:

| <b>Cost Element Group</b>                     | <b>Components</b>                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Salaries</b>                               | Regular Earnings, Other Earnings (overtime, shift premium), Ministers and Members of the Legislative Assembly, Fringe Benefits, Other (Worker's Compensation Allowance, Supplement), Health and Education Tax Levy, Benefit Chargeback.                                                                                                                      |
| <b>Grants/Transfer Payments</b>               | Discretionary Grant, Nondiscretionary Grant, Transfer Payment, Valuation Allowance, Capital Grant.                                                                                                                                                                                                                                                           |
| <b>Transportation</b>                         | Vehicles, Aircraft, Other (taxi, bus, freight, rail), Travel Agency Fees, Freight/Courier.                                                                                                                                                                                                                                                                   |
| <b>Communication</b>                          | Telephone, Electronic Communication Services, Postal Services, Advertising/Program Promotion, Radio Systems, Other.                                                                                                                                                                                                                                          |
| <b>Supplies and Services</b>                  | Operating Supplies, Materials, Office Supplies, Maintenance, Other Services, Rentals, Professional Services, Utilities, Other Fees.                                                                                                                                                                                                                          |
| <b>Public Debt</b>                            | Credit/Debit Card Fees, Gain/Loss on Foreign Exchange, Interest on Debt, Discount on Debt, Amortization - Debt, Interest Charges, Other Charges.                                                                                                                                                                                                             |
| <b>Minor Capital</b>                          | Land, Buildings, Vehicles, Machinery & Equipment, Computers, Furniture, Leasehold Improvements, Loss on Sale of an Asset, Amortization Expense.                                                                                                                                                                                                              |
| <b>Other Operating</b>                        | Accommodations, Food and Beverage, Computer Related Charges, Insurance Costs, Publications, Allowances and Other Financial Compensation, Other Personnel Costs (relocation/transfer costs), Other Operating (membership fees, hospitality, employee training, uniforms, conference/convention registration fees, incidental allowances), Imputed Surcharges. |
| <b>Financial Assistance and Related Costs</b> | Consumables on Behalf of Citizens (Clothing, Food, Drugs), Fees and Services, Shelter, Transportation, Special needs, Direct Assistance Payments, indirect Assistance Payments.                                                                                                                                                                              |

**Employee Benefits**

Costs incurred by government for its contributions to the Employment Insurance Program, Canada Pension Plan, Group Life Insurance Plan, Ambulance, Hospital Semi-Private Plan, as well as costs related to pension liability for new employees, and payments made under the Dental Plan, Long-Term Disability Plan, and Levy for Health and Post Secondary Education.

**Estimates of Expenditure (Adjusted)**

A re-alignment of the previous year's estimates of expenditure for any organizational change to provide for more accurate and realistic comparisons from one budget year to the next.

**Full Time Equivalent**

A measurement for number of positions. Every full-time regular position represents one full-time equivalent position. Other categories (e.g., term, departmental, seasonal, contract) are measured in proportional equivalents, e.g., a program with a vote of 1.50 term FTE could hire staff in any combination that results in a total of 1½ years (or 78 weeks) of employment (e.g., 6 staff for 3 months (13 weeks) each; 2 staff for 9 months (39 weeks) each; 1 full time and 1 half time staff for 1 year; 3 half time staff for 1 year, etc.).

For further information related to staffing, please refer to the Civil Service Commission's intranet website (HR Personnel/Guides/SAP - HR Data Standards).

**Staff Categories****Managerial**

Positions which have been delegated the authority and have the responsibility to plan, administer, and control the resources and activities of a defined organizational unit in the Manitoba Government and are directly and fully accountable for:

- the utilization of resources in achieving planned objectives including the development of a budget and the initiation and authorization of expenditures; and,
- the organization's results and impacts.

**Professional/Technical**

Employees who have duties that relate to specific areas of program operations requiring some functional specialization.

Included in this category are employees classified within the following components and/or series:

|                                                                          |                              |
|--------------------------------------------------------------------------|------------------------------|
| Education                                                                | Engineers (O.P.E.E.P.M.)     |
| Health                                                                   | Legal Aid Lawyers (L.A.L.A.) |
| Legal, Inspection and Regulatory                                         | Crown Attorney (M.A.C.A.)    |
| Physical Sciences                                                        | Doctors (M.M.A.)             |
| Social Sciences                                                          | L.A.M.C. Staff               |
| Trades, Operations and Services                                          | Professional Officer Series  |
| Personnel Officer Series                                                 |                              |
| Administration (with the exception of the Administrative Officer Series) |                              |

**NOTE:** Those employees designated as managers and also classified within one of the above components or the excluded component shall be categorized only once, as managerial.

### **Administrative Support**

Employees who have duties related to the provision of support and assistance to program operations.

### **Staff Turnover Allowance**

An adjustment made to a salaries account to allow for attrition and staff turnover. It is a negative adjustment to enable the organization to more accurately display salary requirements.



